INSIDE: Counting the cost of the homeless

Maclean's

JANUARY 13, 1986

CANADA'S WEEKLY NEWSMAGAZINE

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Growing up with Mary



The renewed career of Mary Tyler Moore

A new sitcom in an old tradition

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CANADA'S WEEKLY NEWSMAGAZINE

Maclean's

JANUARY 13, 1986 VOL. 99 NO 2



Weighing the costs of war

At the outset of the seventh year of fighting guerrillas in Afghanistan, the Soviet Union is showing signs of wanting out of a costly Vietnam-style stalemate —*Page 12*



An appetite for junk bonds

This week the U S Federal Reserve Board meets to decide whether to curb the use of junk bonds, a financing method used to pay for a growing wave of takeovers —*Page 22*

COVER

Growing up with Mary

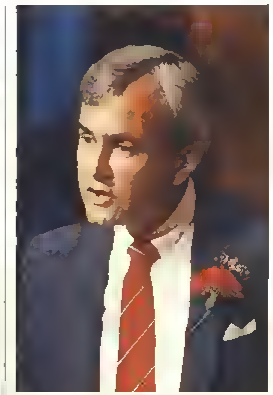
Last month television's beloved Mary Tyler Moore launched a new comedy show. The talents behind her know that there is no more serious business in television than comedy. Sitcoms are a social mirror—sometimes a warped one. And despite quality domestic sitcoms, Canadians' first love still seems to be U S imports—such as *Mary* —*Page 36*

COVER PHOTO BY LES GOLDBERG



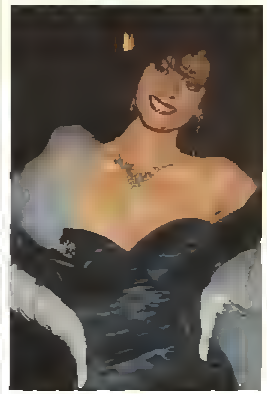
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Going to work in Ontario

Ontario Liberal Premier David Peterson has completed his first six months in power and has set an agenda of bold and often controversial legislation —*Page 6*



Clue to a scarlet woman

Former Disney ingenue Lesley Ann Warren, who stars as Miss Scarlet in the movie *Clue*, has been described as the sexiest woman in current films —*Page 34*



That certain smile

For millions of North Americans, Mary Tyler Moore was an integral part of growing up a fresh-faced fantasy who lit up television screens at the beginning of the 1970s, providing a welcome wedge between the stomach-wrenching news clips from the Mekong Delta or Da Nang and another dreary episode of *The Brady Bunch*. Her journalism on *The Mary Tyler Moore Show* was often questionable, but her understated sex appeal was never in doubt. As her friend and former costar Valerie Harper (*Rhoda*) once said of the old Mary Richards character, "She likes a great big glass of cold milk to wash down her birth-control pill."



PAUL HARRIS/OUTLINE

Moore's parents, Marjorie and George, with Johnson (centre)

Senior Writer Brian D. Johnson, who interviewed Moore on a wide range of issues—including her new show, *Mary*—in her dressing room trailer in Los Angeles, said that, at 48, her appeal seems ageless. Added Johnson, "Meeting her, you are struck by conflicting impressions. On the one hand, you realize that you are talking to a very rich and powerful lady. But on the other, you sense a vulnerability, a nervousness, as if the fictional Mary Richards were real after all."

Kevin Doyle

Maclean's Jan. 13, 1986

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LETTERS

Two-career families

In response to Barbara Amiel's Dec 23 column, "Dilemma of the working parent" she says that young girls must be warned they have the choice of having children or doing their own chosen work. Doing both is possible. "The cruel truth," she says, "is that a baby takes a great deal of time and energy. Babies are not incompatible with a job, but they are incompatible with serious ambitions in the workplace. The idea that a man and a woman, each beginning the pursuit of serious careers, could somehow 'share' parenting is ludicrous." Amiel is wrong. I know many women who have borne and raised their children and done their work, helped by their mates. I know many women who had to rear their children alone without the help of a husband, women who not only had a "job" but a vocation, and heaven knows I am not knocking my sisters who have courageously had jobs while bringing up their kids. As a woman who always wanted children, and did have them, and who always knew I had a vocation of writing, I think I have the right to say to the "young girls" whom Amiel addresses whether you want to be a lawyer, a doctor, or a writer, you can do it. If you feel a sense of vocation, go with it, believe in it, be true and believing.

—MARGARET LAURENCE,
Lakefield, Ont.

Exposing an emperor

Congratulations on your detailed exposure of one of the most corrupt governments in Southeast Asia ("The angry Philippines," Cover, Dec 16). Why did you take so long to report on Marcos's cozy entanglement with the world's greatest democracy? —BERT SNELGROVE,
Barrie, Ont.



HERNANDEZ/SYGMA

Prasident Marcos' cozy antanglemant

Waiting for the ships to come in

In your article regarding the six frigates Saint John Shipbuilding Ltd is contracted to deliver to the navy you state that company officials have been trying to persuade Ottawa to revise parts of the contract so that the shipyard will receive progress incentive payments that have so far been withheld ("A slow start for the frigate program," Canada, Dec. 23). It is not correct to describe these payments as being withheld because they are not payable under the contract at this time. These payments may be released at the discretion of "Ottawa" when the work covered by these incentive payments is completed.

WILLIAM H. JOHNSTON,
Director of Procurement, Supply and Services Canada
Ottawa

Trials of the expatriate

I was stunned to learn while reading about artist Christopher Pratt ("An explorer in a barren universe," Art, Dec 9) that our mutual alma mater, Mount Allison University, has moved from Sackville, N.B., to Sackville, N.S. Boy, you leave the country for a while and nobody tells you anything.

JON ANDERSON,
Chicago Ill.

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PASSAGES

DIED Rock superstar **Rick Nelson**, 45, after his private DC-3 plane caught fire en route from Guntersville, Ala., to Dallas and crashed in an emergency landing attempt at De Kalb, Tex., killing Nelson and six other passengers. Born Eric Hilliard Nelson, "Ricky" Nelson starred with his parents and brother **David** on the radio and TV series *The Adventures of Ozzie and Harriet* in the 1950s and 1960s, and during that time rose to popularity as a rock singer with such hits as *Hello, Mary Lou* and *Poor Little Fool*. After a career slump Nelson formed the country-rock Stone Canyon Band in the 1970s and launched a comeback with the major hit *Garden Party*, a bittersweet reflection on his cool reception in 1972 when he performed his new material at a Madison Square Garden concert.

DIED Movie producer **Sam Spiegel**, 84, while vacationing on the Caribbean Island of St. Martin. Born in Austria, Spiegel was the archetype of the hard-boiled, cigar-chomping Hollywood producer who specialized in big-budget epics. When asked how he could justify spending $10 million on the desert scenes in the Oscar-winning film *Lawrence of Arabia*, Spiegel said, "We never used a thousand camels where a couple of hundred would do."

SOLD To Toronto developer **Avram Bennett**, 57, the Toronto-based publishing company McClelland and Stewart Ltd., whose stable of authors includes **Margaret Atwood**, **Pierre Berton** and **Farley Mowat**, by chairman and controlling shareholder **Jack McClelland**, 63. Although Bennett, who will become president and chief executive officer, would not disclose the purchase price, he said that he would invest at least $1 million in the financially troubled company and assume its debts.

DIED **Bill Veeck**, 71, colorful former owner of the Chicago White Sox baseball team, in Chicago, from a heart attack following a history of respiratory disease. Believing that baseball should be entertaining, Veeck introduced such innovations as the exploding scoreboard and players' names on backs of uniforms and once sent a midget pinch hitter into a game.

DIED **Wayne Lonergan**, 67, who in 1943 was convicted of killing his wife, **Patricia Burton Lonergan**, heiress to a New York beer fortune, in Toronto, of cancer. After a sensational New York courtroom trial, the Toronto native was convicted on second-degree murder charges and sentenced to 35 years to life. He was paroled in 1967 on condition that he return to Canada.

Unscrambling the message

I would like to clarify a point in your article on the scrambling of television signals on satellite ("Scrambled TV messages," Follow-up, Dec 9). My statement that "there will no longer be channels free for the taking" was made referring to the American specialty movie channels, such as Home Box Office. Most of those channels have announced plans to scramble (as have ESPN, CNN and a couple of the American commercial networks). I realize that there are a number of other channels that currently have no plans to scramble. The department of communications recognizes the validity of individually owned satellite dishes as a means of receiving programming, especially in areas where sufficient viewing choice is not available from cable or rebroadcast systems. We also recognize the rights of the creators and the holders of copyright in broadcast programming, which is providing the impetus for many programmers to scramble in order to protect their signals from unauthorized viewing.

—GWEN ANDREWS,
Director, Extension of Services and Special Audiences Division, Broadcasting and Content Services Policy Branch, Department of Communications, Ottawa

The heights that can be reached

Thank you to the CBC, Megan Follows and Kevin Sullivan for a fine piece of Canadiana ("Bringing a classic to the screen," Television, Dec 2). Lucy Maud Montgomery and *Anne of Green Gables*, set in beautiful Prince Edward Island, are a Canadian heritage to be written about, photographed and presented on TV again and again. I agree with your writer. Make *Anne of Green Gables* a memorable classic of the television screen!

—JOAN LADUKE,
St-Bruno, Que.

Scorning religion

Fred Bruning has a nasty case of religiophobia ("A preacher eyes the White House," Column, Dec 16). Still, ridiculing religion is a shabby substitute for intelligent political commentary. A critique of Baptist minister Pat Robertson's political ideas would serve us far better than outpourings of antireligious scorn. I'm no fan of Robertson, but for my money I'd rather have a president who talks to God before making big decisions than a prime minister who consults his dog.

—REV. BILL DYKSTRA,
Chatham, Ont.

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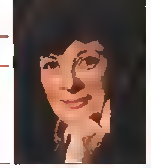
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COLUMN

In search of long-term growth



By Dian Cohen

Canadians' attitudes, as reported in the second annual *Maclean's*/Decima Poll (*Maclean's*, Jan 6), are more revealing than any statistic on the national economy ever could be. The poll findings show that three out of four Canadians are satisfied or very satisfied with their own personal economic situation while eight out of 10 are optimistic about their prospects. Fewer Canadians today than last year expect government to look after their best economic interests. And more than half the respondents said they believed that Canadians have to make personal sacrifices before the economy could improve any further.

I do not share that optimism. It is a healthy sign that a solid portion of Canadians are expecting to rely less on governments than they used to, that they are optimistic about their own futures and recognize the need to make sacrifices. But my own sense is that the Canadian public will have to play a greater role in establishing an economic strategy for the future. We must prod our leaders into providing a healthy economic environment. As the past record shows, relying on public policymakers—the so-called experts—would be a serious error.

Take, for example, the pointless—and woefully inaccurate—predictions our economic leaders made for the nation's economy in 1985. One year ago economists, politicians and other bores projected that the value of the goods and services we as a nation would produce in 1985 would increase by no more than three or 3.5 per cent. Now, they are expressing delight and amazement that the economy has performed better than expected—four per cent, and maybe 4.5 per cent once the final revisions have been added in. Buoyed by these numbers, many experts are predicting that the "recovery" will continue throughout 1986.

Perhaps it will. But such predictions only obscure the real task facing economists and politicians: the introduction of fundamental reforms that will improve the long-term outlook for this country. Without serious changes in the direction of economic policy, real economic growth—that increases disposable income, boosts overall employment and guarantees greater social security for the weakest members of society—will never take place.

One of the greatest challenges facing us is reducing the 10.2-per-cent rate of unemployment. The Canadian economy actually outperformed its U.S. counterpart last year. In the United States the growth rate reached only three per cent. But while the U.S. unemployment rate has been cut almost in half since 1982 to seven per cent, our jobless rate has decreased only 1.5 per cent during the same period. One likely explanation, suggests the Paris-based Organization for Economic Co-operation and Development, which monitors economic policy among industrialized nations, is that the United States has introduced more incentives than Canada has for the kind of business investment that creates jobs.

For Canadians, that means an urgent re-examination of our tax system. We must ensure that the taxes people and corporations pay—as well as the benefits and subsidies they receive from government—do, in fact, encourage greater economic efficiency and growth. There have been two disastrous attempts at piecemeal reform. In 1981 then-finance minister Allan MacEachen withdrew most of his federal budget five weeks after it was introduced because of widespread outrage over his elimination of a wide variety of tax exemptions and reductions. Similarly, last June Finance Minister Michael Wilson was forced to backtrack on plans to partially deindex old age pensions in the face of widespread public anger. That experience has convinced many Canadians that comprehensive tax reform is desperately needed, but unfortunately the political fallout from that disaster has left the government of Prime Minister Brian Mulroney in a cautious mood.

Without serious changes in the direction of economic policy, real growth in Canada will never take place

At the same time, Canadians must have a better understanding of the dynamics of both job loss and job creation. The C.D. Howe Institute, in its *1986 Policy Review and Outlook*, demonstrates that the majority of new jobs in Canada are produced not by large firms that governments can influence directly but by hundreds of thousands of small firms whose owners say they do not want more direct assistance. Even if the government chooses to help small business with direct assistance—and so far it has introduced limited changes—the costs will be prohibitive. The institute concludes correctly that "government strategists cannot hope to identify the one per cent [or less] of small firms that will become major job creators. The policy approach best suited to achieving this objective is one that changes tax, regulatory and trade policies."

This is not, in fact, the kind of policy change we have been getting. For instance, there is no doubt that the feeble measures the Mulroney government has taken so far to reduce the size of the elephantine federal deficit will never do more than contain it just below the $40-billion-a-year mark. The government can only achieve this near-static level of maintenance either by making cuts to spending or through successive tax increases. So far, it has shown a preference for tax hikes, a course of action that discourages the private sector from investing. Taxes will only continue to absorb an increasing portion of our savings. Those savings would then be unavailable for investment.

To be fair, there is some economic planning taking place in Ottawa—Mulroney's initiative on freer bilateral trade with the Americans, to name the best action taken last year. However, I fear that the initiative may already be in peril. Public discussion is already becoming polarized between dire predictions of economic emasculation and rosy portraits of ever greater riches. Canadians will have to follow the discussions carefully as the negotiations continue through 1986.

This column sounds, unfortunately, all too familiar. The subject matter is nothing more than a summary of the issues that have appeared in this space over the past year. Our leaders are still pussyfooting around them. The government must be willing to develop a comprehensive economic strategy that will ensure long-term growth. The task for all of us during the next year is to convince our leaders and experts that what is missing in public policy is an economic strategy to deal with changing times. Happy New Year.

Dian Cohen is a Montreal-based economics writer

Going to work in Ontario

Less than a year ago Liberal David Peterson held the thankless job of leader of the opposition in Ontario, with little apparent prospect of ever overturning the province's four-decade-old Conservative dynasty, then led by Premier William Davis Indeed, a poll taken in February last year showed that only 25 per cent of Ontarians knew who the leader of the Liberal party was Now, barely six months after taking office as premier, Peterson is attracting a surge of attention In fact, so many reporters requested year-end interviews with the 42-year-old premier that he had to gather about 30 of them in the Ontario legislature's oak-panelled cabinet chamber late last month for a standing-room-only press conference at which he confidently fielded questions from a high-backed Victorian chair Two days later a poll by Toronto-based Decima Research Ltd showed that Peterson's Liberals enjoyed the highest satisfaction rating of any government in the country, at 68 per cent

Sworn in after the Liberals forced the resignation of Conservative Premier Frank Miller last June with the support of the New Democratic Party, Peterson has carved out a position as the country's principal skeptic on free trade with the United States On the home front, the Peterson government has moved at a pace not seen at Queen's Park for years, producing a blizzard of new and often controversial regulations and legislation Said University of Toronto political economist Stephen Clarkson "It has been noticeably productive for the past six months, in stark contrast to the immobility of the last Davis years" Added Peterson "I am not in government just for the sake of surviving I'm here to get things done"

Among the measures enacted or introduced in the government's first session, which resumes this week following the Christmas break

- A crackdown on acid rain Under the new regulations, the environment ministry has ordered the province's four largest polluters, including provincially owned Ontario Hydro, to cut sulphur-dioxide emissions by two-thirds of recorded 1980 levels by 1994
- A law requiring polluters to clean up toxic spills Passed by the Tories in 1979 but proclaimed law only in November, the so-called spills bill makes owners, handlers and shippers of hazardous chemicals liable for the immediate costs of control and cleanups
- Legislation proposing a strict ban on medicare extra billing It would prohibit Ontario's doctors from charging patients more than the fees set by the province's health care insurance system Officials of the 17,000-member Ontario Medical Association have raised the prospect of protest strikes
- Tougher rent controls The government has lowered the ceiling on permissible annual rent increases to four from six per cent And pending legislation would extend current controls on older and lower-rent dwelling units to cover units built since 1975 and those renting for more than $750 a month
- Legislation that would provide for arbitration of first-contract labor disputes if the Ontario Labor Relations Board ruled that an employer had not made reasonable efforts to negotiate
- Retroactive abolition of the coveted title of Queen's Counsel (QC) for lawyers in the province The title was awarded, largely on a patronage basis, to lawyers who had practised for 10 years or more and had solid political connections

In addition, the government implemented an all-party plan to extend public financing to the final three grades of Roman Catholic high schools, although that decision is being tested in the courts Acting on another long-delayed issue, a joint government-industry fund of $16 7 million was set up to compensate two Northern Ontario Indian bands for mercury pollution that devasted their communities 15 years ago The government introduced freedom-of-information legislation and produced a pre-legislation discussion paper on equal pay for work of equal value More recently, a new regulation against drunk drivers provided for a full year's driving suspension on a first conviction and a two-year suspension on subsequent convictions



Rae with family a blizzard of new and often-controversial legislation



Grossman: stark contrast

Peterson's hectic legislative pace has offended some people, especially in the business community Vern Denholm, a vice-president of the Canadian Manufacturers' Association, said he was concerned about the cost of the new Liberal measures "We think it is a redeeming quality to be action-oriented, but they are antibusiness," Denholm said

At the same time, Peterson has won support from labor and some businesses for urging caution in negotiating a free trade pact with the United States Armed with a report by Ontario's ministry of industry and trade that predicts the loss of as many as 281,000 manufacturing jobs in Ontario, Peterson has pressed Ottawa "not to make a leap of faith before we know what we want to do" At the first ministers' conference in Halifax last November, Peterson forcefully argued the case for provincial involvement in the trade talks. And he swiftly forged an informal alliance on the issue with Quebec Liberal Premier Robert Bourassa after Bourassa's election last month

In part, the pace of Liberal activity at Queen's Park is tactical Peterson's 48 Liberal MPPs are sustained in power by an alliance with the 25-member NDP caucus led by Bob Rae In an accord signed last May, the NDP pledged to support the Liberals for two years against the Tories, who hold 51 seats The key conditions that Peterson enact legislation that the NDP considers to be urgent and that he refrain from calling a snap election for two years A liaison team representing both parties meets regularly to monitor progress



Peterson in the Ontario legislature: criticism from the business community

To reinforce its activist image, the young government issued a 50-page year-end document outlining "Liberal government achievements" Although most of the 98 items simply reiterate pledges—and avoid mention of tax increases in an October budget—Peterson said at year's end that his government now has "the busiest legislative agenda I can possibly imagine" For his part, the premier's principal secretary, Hershell Ezrin, acknowledged that an activist government is "bound to get some people angry"

Since Peterson and Rae signed their legislative accord, both have insisted that it does not constitute a coalition government However, the Liberals have followed the NDP agenda so closely that some New Democrats say a coalition exists in everything but name Said writer and NDP activist Ian Orenstein in an open letter to Rae endorsed by 21 fellow New Democrats. "The pact with the Liberals dishonors the NDP's tradition of political independence and is nothing more than coalition government"

But Rae rejects the charge "Compromise is not a dirty word," he told *Maclean's* "If we can execute influence and get progressive legislation, then I am feeling good" Indeed, the NDP prompted provincial Treasurer Robert Nixon to cancel a gasoline tax increase proposed in his November budget when the party threatened to vote against it.

The Liberals also defend their arrangement with the NDP. Said Education Minister Sean Conway. "The relationship is a healthy one, but we are a minority government and govern accordingly. There is an agenda more comprehensive than the accord" Still, the Liberals have been slow to deliver legislation on electoral pledges of their own, such as the sale of wine and beer in corner stores in addition to government-controlled outlets. For his part, Larry Grossman, Conservative leader since November, says that the government is simply copying NDP policies "None of these items being introduced have been pet projects of Peterson's," he said

According to political scientist Clarkson, Rae's accord with the Liberals constitutes an important experiment that will be watched by all provincial NDP parties in opposition Still, the accord has a strong element of risk for the NDP. If Peterson remains popular, the Liberals could lure votes from the NDP in the next election, endangering the future of the New Democrats in the province

Tory House Leader Dennis Timbrell predicts Peterson will call an election before the two-year accord expires "If and when he thinks it is to his benefit to stage a major confrontation and end the marriage, he will," Timbrell said

Peterson insists that he is not planning an early election In fact, *Maclean's* has learned that the entire bureaucracy at Queen's Park has been involved in a major overhaul and redefinition of Liberal government strategy All ministries were ordered to define their priorities by the New Year—an indication that the Ontario Liberals, enjoying their first taste of power in more than 40 years, are not ready to risk a premature test at the polls

—SHERRI AIKENHEAD in Toronto

Another Tory leaves the fold

The statement issued by the Prime Minister's Office on New Year's Eve was pointedly brief—only 20 words—and it contained none of the customary expressions of regret. "Prime Minister Brian Mulroney," it said, "today accepted the resignation from cabinet of the Honorable Suzanne Blais-Grenier, minister of state for transport." Just one day before, Blais-Gremer had publicly criticized the government's decision to allow Ultramar Canada Inc. to buy the eastern Canadian assets of Gulf Canada—including Gulf's east-end Montreal refinery—for $120 million.

Ultramar plans to close the refinery, leading to 400 layoffs. Although Blais-Grenier said she was resigning "in order to not call into question the principle of cabinet solidarity," Mulroney was widely expected to drop the accident-prone minister. Said Liberal MP Marcel Prud'homme: "I think most likely she was convinced that she was going to be dropped, so she decided to beat those who wanted to get rid of her by a week or two."

Blais-Grenier's resignation—the fourth from Mulroney's cabinet since the Tories were elected in September, 1984—capped a troubled year for the Conservatives. And it underscored one of the Prime Minister's most difficult problems: finding capable ministers in a caucus in which more than half of the members are sitting in Parliament for the first time. That problem is particularly acute in recruiting ministers from Quebec, where only three of 57 Tory MPs have federal parliamentary experience.

Last week two other Montreal-area Tory MPs, Vincent Della Noce and Robert Toupin, joined Blais-Grenier in signing a petition protesting the Dec. 27 announcement by Industry Minister Sinclair Stevens of cabinet approval for the Gulf sale. They were part of a coalition that included Liberal MPs and Quebec provincial politicians, who referred in their petition to Stevens, who represents a suburban Toronto riding, as an "Ontarian minister." Although Mulroney took no action to discipline his two other renegade members, Blais-Grenier's departure left the 39-member cabinet with only nine Quebecers apart from Mulroney—seven of them first elected MPs in 1984 and holding mainly junior portfolios—and with just one minister from Montreal, Minister of State for Mines Robert Layton.

The Ultramar controversy highlighted Montreal's scarcity of cabinet representation. In her letter of resignation, Blais-Grenier said that "the genuine influence of Quebec ministers on cabinet decision-making seems to me to be insufficient." Under former Liberal governments, Montreal was always strongly represented in cabinet by powerful ministers. But the Tories failed to elect high-profile candidates from Montreal, and top cabinet posts went mainly to veteran Tory members from Ontario and the West. Said an aide to a senior member of the Quebec Tory caucus: "We have expressed our disapproval with the disproportionate power of Ontario before, and we will express it again."



Blais-Grenier (left), Stevens: conflict over the influence of Quebec ministers

For her part, Blais-Grenier was a focus of controversy during her 16 months in office. As environment minister she offended environmentalists by presiding over budget cuts that ravaged some of her department's programs and by musing publicly that she might allow mining and logging in national parks. Later, critics attacked her over $64,000 in travel expenses incurred during two trips to Europe totalling 37 days last spring and summer. In her resignation letter, released by her office two days after the announcement, the former social worker said she had "profound respect" for the Prime Minister, but had "no choice but to put my membership in cabinet on the line" over the transaction. A senior Mulroney aide confirmed that Blais-Grenier submitted the letter of her own accord and had not been asked to quit.

After the departure of Blais-Grenier, opponents of the Gulf deal promised to continue their fight against the refinery closing. They noted that a recent federal government report showed that Quebecers pay from $300 million to $500 million in excess gasoline prices because of insufficient refining capacity in the province. Said Serge Baril, president of the refinery workers' union: "Mulroney and Stevens have been manipulated by the multinationals into making Quebec dependent on Ontario for oil."

For his part, Stevens argued that declining demand for petroleum products in Quebec—down more than 30 per cent since 1979—meant that Gulf would not be able to find a buyer willing to keep the refinery open. As well, Investment Canada spokesman Gordon Dewhirst flatly declared that there was no chance that the government would reverse itself on allowing the purchase by British-owned Ultramar. Said Dewhirst: "Once the minister has made his decision, that is final."

—BRUCE WALLACE with PAUL GESSELL in Ottawa



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Pay day in the House



Mulroney. $133,000

Last year, to set an example of budgetary restraint, Conservative Prime Minister Brian Mulroney and his cabinet took a small pay cut. Mulroney collected $129,900 in salary and expenses in 1985, a decrease of $800 from the 1984 total of $130,700 for the job, and ministers earned $110,300, a $500 drop. But a Jan. 1 salary increase for all members of Parliament more than made up for last year's restraint. After the annual increase—calculated at about one percentage point below inflation under a complicated formula which took effect in 1981—Mulroney will collect about $133,000—his basic salary of $78,800 plus a tax-free allowance of $54,200. The sum does not include such perquisites as free residences and transportation. Mulroney's 38 cabinet colleagues will earn $112,900, while the basic income for MPs rises to $74,500 from $72,800 last year. The government is studying a report by two former MPs which recommends that members should get a raise to about $86,700 because of their long hours and heavy workload.

A sombre new search

Acting on a request from the U.S. army, RCMP investigators will conduct a follow-up search this week on the scorched hillside at Gander, Nfld., where 248 American soldiers and eight crew members died in the crash of a DC-8 airliner on Dec. 12. Searchers will erect five wood-frame shelters to cover the site as they melt snow and earth over an area nearly the size of a football field, looking for missing parts of bodies of the crash victims. American officials asked the RCMP to conduct the new search after pathologists at Dover Air Force Base in Delaware had been able to establish positive identifications for only 100 of the 256 victims. Authorities said that unless more remains are found at the site it will be difficult to make further identifications. Pathologists encountered an unexpected setback when they discovered that many of the dead soldiers' medical records were aboard the jet. Meanwhile, the first funerals for those already identified were held in the United States on Dec. 28. And in Ottawa Canadian Aviation Safety Board technicians began last week to disassemble the chartered DC-8's four engines—including one whose thrust reverser was found in a deployed position—for clues to the cause of the crash.

A struggle over secrecy

The announcement by Justice Minister John Crosbie opened a brittle new chapter in a protracted Ottawa power struggle—the clash between the federal government and Auditor General Kenneth Dye over access to confidential cabinet papers. At a news conference last week in his home town of St. John's, Crosbie said that the government had decided to appeal a Nov. 1 ruling by the Federal Court of Canada giving Dye the right to see cabinet documents relating to Petro-Canada's 1981 purchase of Petrofina Canada Inc. Dye, who is responsible to Parliament, not the government, went to court in July, 1984, in an attempt to get the documents. He argued that he needed them to determine whether the former Liberal government wasted taxpayers' money in the $1.7-billion Petrofina takeover. Crosbie said that the government could not let the Federal Court ruling stand because without confidentiality ministers would not be free to discuss issues frankly in cabinet. But he also held out an olive branch to Dye, declaring that beginning on Jan. 1 the cabinet would make available to him all nonpolitical documents. "If he wishes, he can accept our new regime and the matter can be dropped," said Crosbie. But Dye promptly rejected the proposal as "a total nonstarter." He added that it would not give him any documents which he hed not already seen. Declared Dye: "It looks good, but it doesn't achieve anything."

Cape Breton's relief

The pledges of government aid—and more jobs—added lustre to New Year's celebrations in economically depressed Cape Breton. First, Industry Minister Sinclair Stevens announced that Ottawa will contribute 70 per cent of the $150 million needed to install a new electric forging furnace at Sydney Steel Corp. (Sysco). Then, Nova Scotia Premier John Buchanan agreed to fund the balance. The modernization, allaying fears over the future of the troubled company, was designed to preserve about 1,200 jobs. The aid was extended 30 days after Buchanan broke ranks with other premiers at a Halifax meeting of first ministers in November and backed the federal plan to restrain transfer payments to the provinces. But Independent Cape Breton MLA Paul MacEwan, for one, charged that 1,800 additional Sysco jobs will be lost because the new furnace will require less labor. Meanwhile, federal Environment Minister Tom McMillan unveiled a $24-million project to clean up Sydney's noxious "Tar Pond," a lagoon polluted by more than 750,000 tons of liquid waste from Sysco's coke ovens—and laced with heavy metals and hydrocarbons. But the cleanup, expected to employ about 120 people, will not include action against airborne emissions from the ovens, which have been linked to local health problems.

Holding a delayed poll



Harcourt: complaint

When British Columbia's Social Credit government fired all the members of two local school boards last May for failing to submit budgets that met its restraint guidelines, many voters and trustees claimed that Education Minister Jack Heinrich, who replaced the boards in Vancouver and the Vancouver Island community of Cowichan with two appointed trustees, had exceeded his powers. Now, after eight months of controversy Heinrich has relented and announced new school board elections for Jan. 30. While most school officials welcomed the news, Vancouver Mayor Michael Harcourt complained that Heinrich's decision to hold the elections on a Thursday, rather than the customary Saturday, would result in a low turnout, particularly in working-class areas that previously elected left-of-centre trustees. But last week the provincial cabinet announced that the elections would go ahead as planned. The first task of the new trustees will be to prepare new budgets, and many education officials are predicting yet another round of disputes.

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Afghan guerrilla; Soviet helicopter; rebel contacts base: a bloody Vietnam-style war reaches Soviet television

WORLD

Moscow's costly war

The images are grimly familiar Helicopter gunships clatter through the skies and green armored convoys roll along dusty roads Ragged rebels roam forbidding mountain trails, antique rifles at the ready On the plains, blackened fields surround flattened villages littered with dead bodies, while survivors flee to teeming refugee camps This is the war in Afghanistan as portrayed for years in the West, but only recently on Soviet television It began with a blitzkrieg Soviet invasion and the installation of a decidedly pro-Soviet regime in Kabul on Dec 27, 1979, and it quickly became a Vietnam-style stalemate As the fight for Afghanistan entered its seventh year last week, the Soviets gave mixed signals —some conciliatory, others intransigent—on just how long they planned to stay

Soviet leaders have many reasons to consider withdrawing—not least among them the TV images that, even censored to favor the invaders, reinforce the agonies at home over absent relatives and mounting casualties The Red Army has an estimated 118,000 troops in Afghanistan, supported by 30,000 Afghan regulars But together they failed to subdue an estimated 200,000 guerrillas in 1985 despite some of the fiercest fighting of the entire war Soviet fighter bombers and gunships rained terror on the countryside in an effort to destroy rebel bases of support In the process, the Soviets sustained heavy casualties of their own, raising their six-year death toll to about 10,000 according to U S government estimates, and at least twice that number according to Afghan sources in the United States Said Anthony Arnold, political analyst with the San Francisco-based Hoover Institution "It is becoming an increasing psychological problem for Soviet society"

Last week U S officials revealed what may be the strongest Soviet indication yet of a possible pullout, though it was oblique The clue came last month at Geneva in the sixth round of indirect peace talks—conducted through United Nations intermediaries—between Afghanistan and neighboring Pakistan That country has been menaced by skirmishes along its northwestern frontier, and it is the reluctant host to an estimated four million Afghan refugees Afghan Foreign Minister Shah Mohammed Dost presented UN intermediary Diego Cordovez of Ecuador with an unofficial timetable for a Soviet pullout within one year But Pakistan, which refuses to recognize the Afghan government installed under President Babrak Karmal by the invading Soviets, rejected an Afghan demand to discuss the proposal face-to-face with the Pakistanis That left the talks deadlocked, though Cordovez said he gave both sides proposals designed to break the impasse at the next round in February or March

The pullout proposal was not the only sign of a softening attitude in Moscow and Kabul Following his November Geneva summit with Soviet leader Mikhail Gorbachev, President Ronald Reagan said there was evidence that the Soviets "want a solution to this problem" of Afghanistan Three weeks ago the Communist party newspaper *Pravda* called for "an atmosphere of positive dialogue" among opposing forces in Afghanistan The following week Gorbachev himself said that the Soviets were committed to "essential progress" in 1986 on a range of regional issues—and he specifically mentioned Afghanistan Still, the U S state department, for one, remains skeptical It said in a report last month that "Soviet hints of a willingness to be flexible may mask a basic condition the maintenance of a Soviet-dominated government that the Afghan people—and the world—reject"

For its part, Moscow continues to insist that the Red Army's presence is needed to protect Afghanistan from outside interference The Soviet news agency, Tass, said two weeks ago that "a normalization of the situation around Afghanistan is possible only if the United States and its allies stop giving aid to the counterrevolutionary elements"



Karmal deadlocked

The Soviets' softer line may have less to do with peace than with propaganda Gorbachev, analysts calculate, is well aware that the war he inherited from his predecessors when he became leader last March has been a public relations disaster not only abroad but at home In November a UN investigator reported widespread torture, mass killing of civilians and other human rights violations in Afghanistan Gorbachev also knows of the restlessness within the Soviet Union over a war that was originally billed as simply a short-term incursion Apparently in response, Soviet newspapers and magazines have begun detailing the difficulties in achieving peace And two weeks ago Soviet television showed a one-hour documentary featuring graphic footage of the bitter combat between a modern military force and stubborn guerrilla armies

There is clearly no reason to expect the rebels to succumb soon The Soviets and their Afghan allies continue to control the cities, and they have used their helicopter gunships, MiG fighter-bombers and armored columns to attack rebel strongholds in the countryside—and to deprive them of food and shelter by burning crops and razing villages Such scorched-earth tactics leave the rebels on the defensive, but once the Soviet columns pull out of a captured area the guerrillas simply return to control the hills Last summer the rebels even dug in for a conventional battle in the strategic province of Paktya, holding their own against a large Soviet force Fighting is expected to slow down once again during Afghanistan's snowy winter, but last week guerrilla sources said that their forces launched a three-hour rocket barrage on five targets around Kabul, killing at least 21 Soviet soldiers

As well, the Kremlin's contingent has been hard hit by low morale and even mutinies, especially among troops from largely Moslem Soviet Central Asia and by the unreliability of its Afghan allies Stories of Afghan government press gangs forcing people into the army to replace the dead or deserted often reach Pakistan Indeed, last week Western diplomatic sources in Pakistan said the new "recruits" included students attending graduation ceremonies

The Afghan government has made more willing converts of Pakistani tribesmen in the Khyber Pass area, arming them to fight Afghan rebels who use the border region as a staging ground for military operations And the Kabul regime has tried to win hearts and minds in the struggle Two weeks ago Kabul announced the appointment of nine non-Communists to senior government posts, including several from minority ethnic groups that back the rebels "It's like a bridge hand," said Andrew Eiva, director of the Washington-based Federation for American-Afghan Action, a pro-rebel group "They've already played their lead card, trying to co-opt the resistance"

The rebels are divided along tribal and religious lines, although the seven main guerrilla groups officially united in July They are also hampered by often-antiquated weapons, despite the fact that the United States—along with China, Saudi Arabia and Israel—have helped to alleviate that problem with new equipment In 1985 the CIA provided about $280 million in covert aid to the guerrillas, which was used to buy such foreign-made weapons as Soviet-designed Kalashnikov rifles Independent sources in Washington, however, say that shadowy arms dealers took some of the money in commissions, while Pakistanis in charge of arms distribution kept some of the weapons for themselves

But sources in Congress say the CIA has been authorized to increase aid to the guerrillas to $470 million in 1986—although the funding will remain covert "It would be very bad from the standpoint of Soviet prestige if it looked as if the United States had beaten [the Soviet forces]," said Arnold of the Hoover Institution "They might stey in Afghanistan just to stop that perception"

Just how serious the Soviets are about wanting to withdraw remains unclear The UN peace talks resume in Geneva next month or early in March, and Reagan and Gorbachev are expected to meet in Washington later in the year Perhaps by then Gorbachev will have decided to cut his losses and leave Afghanistan to the Afghans.

—BOB LEVIN in Toronto with ALEX BRODIE in Islamabad, WILLIAM LOWTHER in Washington and ANTHONY HYMAN in London

Warnings in the wake of terror

The threats, and the response, were chilling. In the aftermath of simultaneous post-Christmas terrorist attacks at airports in Rome and Vienna that left 19 people dead and 121 wounded, the United States and Israel last week accused Libya's leader, Col. Moammar Khadafy, of supporting the alleged organizer of the attacks, Abu Nidal. Then, both nations threatened military reprisals. In Washington state department spokesman Charles Redman said, "Terrorism cannot go unanswered." And in Jerusalem Israeli Prime Minister Shimon Peres declared, "Israel will act with all the means at its disposal." In Tripoli Khadafy said that if the United States and Israel attacked Libya, "it would trigger a war that would include the Middle East, and the Mediterranean, and perhaps the whole world."

The United States supported its charge of Libyan complicity by releasing a state department document prepared before the airport attacks which described Nidal and his guerrillas as "probably the best organized and the most effective of the radical Palestinian terrorist groups." It said the concentration of Nidal's activities in Europe "coincided with the strengthening of his links with Libya." The document added, "The likelihood of Libyan financing, safe haven and logistical assistance should be very helpful to his future international terrorist operations."

For his part, Peres accused Khadafy of running a "murder state." He added, "From Libya come people with silencer-equipped pistols, and to Libya return people who have committed cold-blooded murder." Indeed, as European nations increased security around their airports, Israel and the United States last week called for economic and diplomatic sanctions against Libya. Peres appealed to world leaders to take concerted action to isolate Libya. Speaking to a small group of Western reporters at his barracks headquarters in Tripoli, the 43-year-old Khadafy, whose government has denied responsibility for the airport massacres, replied, "If an aggression on Libya occurs, then we shall consider that the beginning of the end—we will chase Americans in the streets of America, and Israelis in the streets of occupied Palestine."

At week's end, as the well-armed U.S. aircraft carrier Coral Sea was on manoeuvres in the Mediterranean and in place to launch a retaliatory strike, Libya's own forces were on full alert and anti-U.S. demonstrators paraded through the streets of Libyan cities. And Iran, Syria and the Palestine Liberation Organization declared that they would come to Khadafy's aid if Libya were attacked. For their part, officials in Moscow charged that the United States and Israel had wrongly accused Libya of involvement in the airport attacks and said Washington was "trying to kindle new hot spots" in the world.

Past Israeli and U.S. attempts to isolate Libya have faltered over its position as a major oil supplier to Europe, with annual revenues of $30 billion. While the United States banned Libyan oil imports in 1982, it exports nonmilitary goods worth $200 million a year to Libya, even though last July President Ronald Reagan included Libya with Iran, Cuba, North Korea and Nicaragua as members of "a new international version of Murder Inc."

Indeed, the state department document accused the Abu Nidal group of 20 terrorist actions in 20 countries in the first 11 months of 1985, including the EgyptAir hijacking to Malta in November and bombings in Europe. And last week Mohammed Sarham, 19, the sole survivor of the four-man attack squad at the Rome airport, told Italian investigators that he is one of 300 fighters from Palestinian refugee camps being trained with Libyan backing for suicide missions in Europe, according to Italian newspaper reports. Since the airport assaults, police in Greece, Belgium and Spain have arrested 11 suspected Palestinian terrorists. According to Ariel Merari, an expert on terrorism at Tel Aviv University's Centre of Strategic Studies, "Abu Nidal makes the infamous terrorist Carlos look like a Boy Scout by comparison. He has no equals."



Armed guards at Rome's Leonardo da Vinci Airport; Israel's Peres (below), concerted action



Still, until he was linked with the airport attacks, little was known about Abu Nidal, an adopted name that means "Father of the Struggle." Intelligence sources say he was born Sabry al-Banna, the seventh son of wealthy Palestinian parents in Jaffa, near Tel Aviv, sometime between 1935 and 1943. The family fled intensive Israeli shelling during the 1948 Arab-Israeli war following the creation of the state of Israel and eventually settled in Nablus, then part of Jordan, now on the Israeli-occupied West Bank. Later, he travelled to Saudi Arabia where he joined Yasser Arafat's Al Fatah group, founded in Kuwait in 1959. That group would become the leading guerrilla faction of the PLO.

Nidal established a PLO office in Baghdad, Iraq, in 1970. But by 1973 he had rejected Arafat's policy of proposing negotiations with Israel to establish a Palestinian homeland. With the support of the Iraqi government, Nidal created his own group—the Fatah Revolutionary Council—and planned to kill Arafat. The PLO discovered the plan, expelled him in 1974 and sentenced him to death in absentia.

In the outpouring of information about Nidal last week from U.S., European and Israeli authorities, guerrillas working for Nidal were accused of assassinating five PLO representatives in Europe, the attempted assassination of the Israeli ambassador to the United Kingdom, Shlomo Argov, in June, 1982, and the November hijacking of the EgyptAir Boeing 737, in which 60 people were killed by hijackers and in an Egyptian rescue attempt. One of Abu Nidal's brothers, Mahmoud al-Banna, a merchant in Nablus, recalls asking Nidal about his terrorist activities. Said Mahmoud: "He replied that he had to 'get back the land for my people. Can we, the rich, sit back and let the poor people go fight?'"

At week's end, as U.S., Israeli and Libyan rhetoric escalated and Washington warned the 1,500 American citizens living in Libya that they might be in danger, Nidal himself, whose actions in the past decade have spoken louder than his words, appeared to be quietly hiding in Libya.

—HAL QUINN in Toronto

Khadafy's visions

Last September Col. Moammar Khadafy celebrated the completion of his 16th year as Libya's leader. Once called "100-per-cent sick and possessed by the devil" by Egypt's then-president, Anwar Sadat, the vivid 43-year-old head of state—who from time to time threatens powers much greater than his own desert nation of 3.5 million—prefers to portray himself as the beleaguered champion of the world's oppressed and exploited.

The roots of Khadafy's revolutionary fervor lie in his origins in Libya's northern desert. The son of nomadic shepherds, Khadafy used to listen over Radio Cairo to the fiery speeches of Sadat's predecessor, Gamal Abdel Nasser, whose visions of pan-Arab unity, nonalignment and social justice inspired the young Libyan to try to change the world. He got his chance in 1969 when, as a 27-year-old signal corps captain, he led a coup against King Idris, the Western-installed leader who ruled the former Italian colony after independence in 1951.



Khadafy 'possessed'

TORREGIANO/SIPA SPECIAL FEATURES

Following the coup, Khadafy embarked on an ambitious program of social reform. His pledges to provide free education, housing and medical care through equitable distribution of Libya's vast oil revenues were greeted with enthusiasm. But by 1975, when a slump in oil currency reserves coincided with heavy military spending, members of his ruling Revolutionary Command Council staged the first of several abortive coup attempts. Khadafy surrounded himself with loyalists and grew increasingly isolated from popular sentiment. Claiming to hate monotony, he changes his ornate uniform as often as eight times a day.

In the late 1970s Khadafy, a fervent Moslem, published his revolutionary *Third Universal Theory*, an ideology encompassing Nasser's teachings, the egalitarian ethos of Libyan tribal life and a selection of utopian, anarchist and Marxist thought. That philosophy is the key to understanding Khadafy's erratic approach to foreign policy. "Governments will disappear," he predicted. "Police will disappear. Regular armies, capitalism, salaries, wages, commerce, trade, profit, interest—all these things will disappear and man will be free."

But in Khadafy's eclectic universe, military might, for one thing, has not vanished. By the early 1980s he had spent more than $12 billion on arms from the Soviet Union. The arms buildup is ostensibly designed, in part, to achieve Khadafy's stated aim of the total destruction of Israel. But some experts say that it has a more far-ranging purpose. A report by the private, Washington-based Center for International Security concludes that Libya is becoming "a staging base for Soviet clandestine operations in Europe and the Middle East."

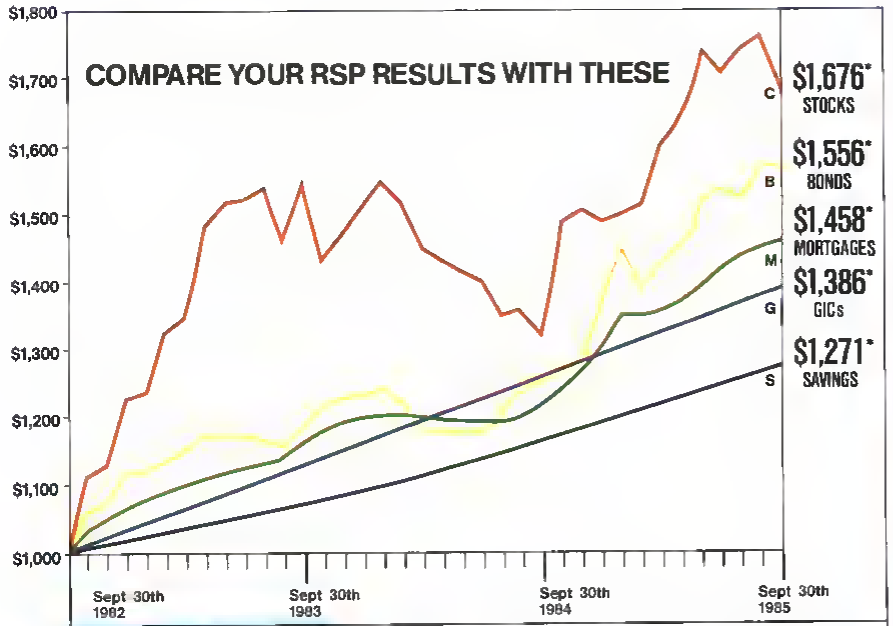
At the same time, Khadafy began providing money, weapons or safe haven to various national liberation movements in as many as 45 countries, according to senior U.S. intelligence sources, including Lebanon, Egypt, Chad and the Sudan. He donated arms to the Irish Republican Army and Italy's Red Brigades, among others, and he also set up terrorist training camps in Libya—a major concern for the West.

Still, many experts discount Khadafy's ability to launch all-out war. Retired Admiral Eugene Carroll, for one, now the deputy director of the U.S. Center for Defense Information, said that Libya's 65,000 regular soldiers are poorly trained and outnumbered by neighboring states' armies. But the Libyan leader has made approaches to China, India and Pakistan—so far without success—to obtain nuclear weapons technology, and Carroll says he fears the consequences of a nuclear-armed Libya in the near future. He added, "It's a frightening thought."

—ANDY BILSKI with WILLIAM LOWTHER in Washington

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SOUTH AFRICA

A blood-soaked New Year

In his televised New Year's message, South African President Pieter Botha acknowledged that his nation is troubled but he insisted that there is "mutual respect" among the races But after a holiday period of rioting, unprecedentedly fierce tribal fighting, violent police action and sabotage that together took nearly 100 lives, some of his countrymen and the world outside saw the last bastion of white rule in Africa inching closer to change if not chaos Indeed, in its own New Year's statement, the United Democratic Front, the country's main legal anti-apartheid group, claimed that "elimination of the detested apartheid system has never seemed so certain."

But the cost of change is climbing rapidly About 1,040 people, most of them black, died in racial and political violence last year—another 25 in the first days of 1986 Last week 18 blacks died in a tribal clash in the Kwa-Ndebele "homeland," north of Pretoria, between people of the Ndebele and Sotho tribes. On Christmas Day 59 members of the Zulu and Pondo tribes, competing for the meagre resources of a shantytown near Durban, died in a fight with spears and shotguns Battles between black radicals and conservatives in the cities left six dead, and police firing into crowds killed two more Six whites died just before Christmas in a bomb explosion in a shopping mall south of Durban

Still, the national mood was marked by a strange and swelling confidence, ignited in part by two South African women—one black, one white, one very much alive, the other dead The black is 50-year-old Winnie Mandela, now known to children in the segregated townships as "Our Mother" She was in seclusion at week's end after twice defying a government ban against returning to her home in Soweto, outside Johannesburg Mandela, whose stature as a black leader rivals that of her jailed husband, African National Congress leader Nelson Mandela, said that Botha's government "has pushed us too far "



Mandela defiance

Meanwhile, about 15,000 blacks paid a rare tribute to a white person—Molly Blackburn, 55, a champion of civil rights killed in a car crash while returning from a visit to a black township on New Year's Eve The crowd assembled in Port Elizabeth for her funeral Blacks sang freedom songs despite the presence of armed police, who were called on at week's end to prevent a second memorial service, which was banned One black mourner, Thami Ngcanga, said, "By being here we are trying to show white people that we are not fighting them " Allan Boesak, president of the World Alliance of Reformed Churches, told the teeming crowd, "In this country there are precious few white people who had gained so much credibility and earned so much respect." Added Boesak: "I hope someone else will rise up and be what she has been."

—GLEN ALLEN in Toronto

THE SOVIET UNION

An exchange of hopes

On Jan 1 many of the more than 70 million television viewers in the Soviet Union were caught by surprise when they turned on the evening news Without prior publicity, the unfamiliar figure of Ronald Reagan, seated at an austere desk and flanked by an American flag, a vase of red flowers and family photographs, appeared on their screens. The President delivered a five-minute taped message, with a voice-over translation into Russian, which called for joint Soviet-U S efforts to make 1986 "a year of peace " At the same time (1 p m EST), Soviet leader Mikhail Gorbachev's videotaped image interrupted New Year's college football parades and soap operas on major American and Canadian networks Speaking from notes in an ornate Kremlin salon, also with an interpreting voice-over, Gorbachev wished American families "good health, peace and happiness "

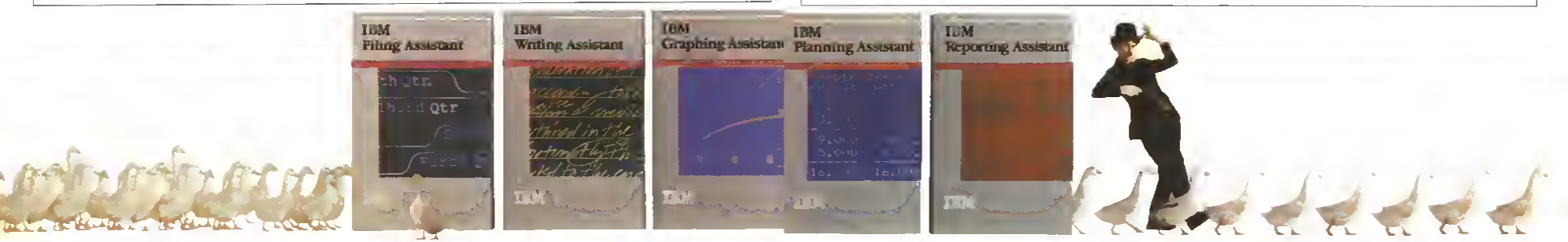
New Year's exchanges by Reagan and Gorbachev were surprising not for what was said but because it was said at all

In general, viewers responded positively to both messages. Said a visitor to Moscow from the Crimea: "It is the first time in our lives that we have seen this. It was very impressive, not so much what Reagan was saying but the fact they did this at all " The unusual TV appearances marked the first time that U S and Soviet leaders have spoken directly to each other's nations since Richard Nixon visited the Soviet Union in 1972 and Leonid Brezhnev returned the visit in 1973 A year ago American officials, concerned about the gregarious new Soviet leader's effortless access to Western news media, proposed the exchange as a way to [illegible] month, after the two leaders had spoken face-to-face at their November summit meeting in Geneva, Soviet officials agreed to the broadcasts.

Both Reagan and Gorbachev spoke optimistically about a second summit scheduled for later this year—probably in September—in the United States Still, their speeches contained several thinly veiled references to deeply contentious issues The U S President defended his country's development of a space-based missile defence system and alluded to issues of human rights The Soviet leader stressed the importance of achieving reductions in nuclear arsenals and a ban on the U S space-based defence program

Many Western analysts called the Kremlin's decision to allow the President to address Soviet audiences a concession that symbolizes a thaw in superpower relations Still, most of them agreed that the messages did little to bridge the fundamental division over space weapons Retired Admiral Eugene Carroll, deputy director of the Washington-based Center for Defense Information, for one, termed the tone of the exchanges "positive," but he added that they "highlighted a key worry, because the whole question of arms control hinges on space weapons" [illegible] tomed to even a facade of conciliation, the new approach could seem to be only a small step in the right direction.

—ANN FINLAYSON in Toronto



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Maintaining an iron grip

Ever since Gen Mohammed Zia ul-Haq seized power in Pakistan in a July, 1977, military coup, he has pledged to eventually return the country to democracy. And last week, when the iron-willed president proclaimed an end to 8½ years of martial law, democratic dissent followed swiftly. Indeed, political opponents tested the partial lifting of censorship by denouncing Zia's declaration as a sham. Said Ghulam Mustafa Jatoi, a leader of the outlawed People's Party of Pakistan, the nation's biggest. "For all practical purposes, martial law is being perpetuated in civilian form."

Although Zia defended his regime's record—"Our decisions proved to be correct and they made the right impact," he said—his declaration formally revived the republic's long-suspended constitution and re-established civilian law. But Zia, who is also army chief of staff and remains president until 1990 by law, said that no one should expect radical changes in the near future. "Anyone trying to derail the train of democracy," he said, "will have to face terrible consequences."

Opposition critics, discounting Zia's actions, called for his resignation as army chief. Many of them noted that a ban on all political parties stays in force. Indeed, in October Pakistan's national assembly entrenched many martial law decrees in the constitution, empowering Zia, 61, to suspend basic freedoms indefinitely.

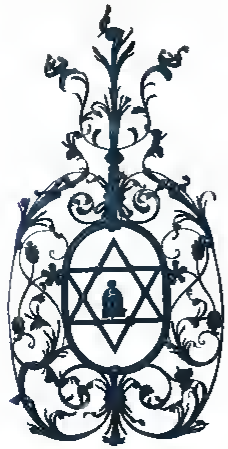
In a televised plea for reconciliation a day after lifting martial law, Prime Minister Mohammad Khan Junejo called on the banned opposition parties—which boycotted last February's national assembly elections—to join in a "new era of stable democracy." Junejo pledged to appoint a new administration that would foster "the strengthening of the democratic system and establish healthy political traditions, which include the free expression of differences of opinion and an opportunity for constructive criticism."

Since the 1977 coup, in which Zia overthrew Prime Minister Zulfikar Ali Bhutto, who was later hanged, the military has kept a tight rein on Pakistan. Western diplomats in Islamabad say a "gentlemen's club," comprising generals who run the armed forces and key government offices, has ruled the country in concert with Zia. Last week, in a further move toward nominal civilian rule, Zia announced the imminent replacement of three provincial military governors by civilians and the retirement of the governor of the fourth province from the army. Said Mushaid Hussain, editor of the often-critical newspaper *The Muslim*: "This is a cautious beginning. It is not a transfer of power from the army, but an opening is there. The military will still want to regulate the opening."

Indeed, in a rush to meet the martial law deadline, military courts in recent weeks sentenced more than 200 people to prison terms and imposed heavy fines for convictions ranging from drug smuggling to subversion. Murtaza Bhutto, the exiled son of the executed former prime minister, was one of 37 people sentenced in absentia to 14 years of "rigorous imprisonment" for antistate activities. But with the end of martial law, observers say, Zia's hard-line critics may return to agitation, quickly testing the limits of their incipient political freedom.

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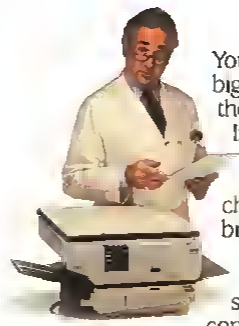
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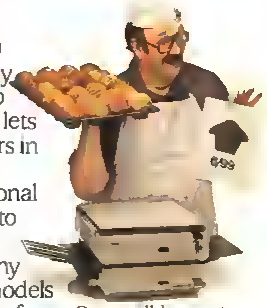
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Cracking down on junk bonds

Public meetings at the Federal Reserve Board in Washington do not lend themselves to scenes of high drama The Fed, as it is commonly known, is responsible for the dry work of setting U S interest rates and other monetary policies But this week fireworks were expected when Federal Reserve Board Chairman Paul Volcker and his fellow board members met to rule on a proposed curb announced last month on the use of so-called "junk bonds" to finance corporate takeovers. For many American financiers and corporate executives, Volckar's proposal is seen aaa way of slowing down the U S. merger mania that has involved $250 billion worth of corporate deals since 1984 But others interpret the proposed rule change as a way of ending the recent trend of buying huge companies on credit Declared Felix Rohatyn, an influential merger expert at New York investment bank Lazard Frères & Co.. "This may be a first step, but it is important."

The action has also been highly controversial Since the announcement of the Federal Reserve's proposal last month, a high-level dispute has erupted over financial policy, placing the White House against the Fed and nervous big business executives against fast-lane financiers and corporate "raiders." Half a dozen cabinet-level agencies of the administration of President Ronald Reagan, orchestrated by White House chief of staff Donald Regan, have denounced the Fed for meddling with the free market.

At stake, according to many political observers in Washington, is the continuing clout of the powerful Volckar. And at the heart of the debate is whether the U S government should have any role in regulating the merger activity of American business The issue centres on the Federal Reserve's regulation of the high-risk, high-yield bonds, dubbed "junk bonds" by Wall Street Technically, junk bonds are debt issues that fall below the top, or "investment geade," rankings of U S credit rating agencies such aa Standard & Poor's Those bonds have traditionally fitted in two categories: issues for small or young companies with scanty credit track records, or bonds from major firms, such as Chicago-based International Harvester, which have fallen on hard times—"fallen angels" in Wall Street parlance.

Until late 1983 the junk market was small. Then, the leading junk bond underwriter, New York-based investment bank Drexel Burnham Lambert Inc., hit on the idea of using the bonds to finance takeover bids mounted by clients with established credit ratings, such as Mesa Petroleum's maverick chairman, T. Boone Pickens The combination was electrifying By establishing "shell" companies to issue junk bonds—which then pledged to pay the bonds off with the earnings or assets of a target company—Drexel's raider clients were able to vastly increase their financial strength In effect, they used the stock of the very companies they were bidding for as collateral in their actions. Pickens himself deployed that tactic in his attempted acquisition of Gulf Oil Corp. in 1984 In the end, the deal earned a $760-million profit for Pickens when Gulf management instead sold out to Chevron, at a price of $80 per share, compared with the $45 per share that Pickens had paid for his stake in Gulf.



Volckar: a furious counterattack from the Reagan Administration

In Canada, however, junk bonds have seldom been used. A few Canadian companies, such as Calgary-based Financial Trustco Capital Ltd., have raised money through the U S junk bond market to fund operations According to Fraser Ladds, the company's vice-president, high-yield or junk securities have not been widely used in Canada because institutional investors, who are the major buyers of debt securities, often have strict guidelines limiting them to grade A securities At the same time, junk bonds have not been needed for takeover financing in Canada because there are relatively few large acquisitions compared with the United States, and Canadian banks are able to fund domestic takeovers Aa well, says Larry Schwartz, policy adviser for the Ontario Securities Commission, U S corporate raiders need to raise money quickly and secretly, making investment companies preferable to bank syndicates But although junk bonds are not used, another kind of high-risk, high-yield financing involving preferred shares instead of bonds was instrumental in at least one recent Canadian takeover—Unicorp Canada Corp's acquisition of much larger Union Enterprises Ltd. last March.

The financing curb proposed by the Fed would limit the use of junk bonds In takeovers by requiring potential buyers to put up at least 50 per cent of the purchase price in cash or other assets, a principle called a "margin requirement" which applies to anyone making a stock purchase But that action took place after a sharp increase in the overall junk bond volume—to approximately $16 billion in 1984 When the final statistics are in for 1985, the figure may even be surpassed

About half of the junk bond business in 1984 was underwritten by Drexel, which in November arranged $700 million in junk bond financing for Florida-based Pantry Pride's $1.8-billion takeover of much larger Revlon Inc of New York Drexel's fee on that deal was $60 million—large by ordinary financing standards but typical of junk bond deals.

Indeed, the bitterly fought Revlon takeover sparked complaints from American business about highly leveraged takeover bids and gave Volcker the ammunition he needed to propose the rule change Volcker was apparently concerned as much by the buildup of debt among U S corporations—an increase of $145 billion last year to a total of $1 6 trillion—as by junk-financed takeover tactics Some corporate raiders have financed as much as 80 per cent of their purchase of a target company's stock by means of junk issues That geowing reliance on borrowed money is part of a larger problem of mushrooming corporate, government and consumer debt that is making Volcker's job as head of the central bank more difficult



Pickens: hustling financiers, corporate raiders and 'fallen angels'

In his attempts to tighten up financing methods, Volcker faces powerful opposition On the December vote to propose the rule change, two of five board members—both of them Reagan appointees—voted against it Then, in an unusual display of White House anger, the justice department issued a 40-page legal critique of the proposed ruling two days before Christmas "We believe it is important to keep the markets open and the market forces free," said Council of Economic Advisers chairman Beryl Sprinkel, who also signed the strongly worded protest.

That view is shared by acquisition-hungey companies and investment firms such as Drexel, the Wall Street firm with the most to lose under Volcker's rule change. Said Frederick H. Joseph, Drexel's chief executive. "As drafted, the rule could shut us down totally There is no avidence that these financings are harmful to the financial system." For his part, T Boone Pickens declarad it was another example of how "entranched management is trying to set up rules and regulations to cut down on opportunities to shareholders."

Still, Volcker also has strong allies Andrew Sigler, for one, chief executive of Connecticut-based paper company Champion International and chairman of a Business Roundtable committee that is looking into the merger wave, declared that the expected crackdown on junk bond buy-outs was "a logical, moderate first step to putting some sanity back in takeovers." Said merger expert Rohatyn of Lazard Frères: "There are extreme cases of leverage that create risks to the credit system that the Fed has the right and obligation to control."

Volcker's supporters in corporate America say they are fearful of the potential of junk bond financing Only a fraction—less than $2 billion—of the money raised through junk bonds in 1984 was used directly to finance unfriendly bids But executives at companies that until recently were considered too big to be vulnerable, have geown increasingly nervous about the ability of the corporate raiders to gain access to vast sums of money Indeed, Drexel claims to be able to raise $3 billion within one week

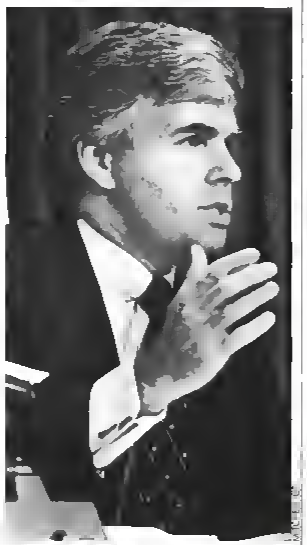
Whether the proposed rule change is approved or not, battle lines have clearly been drawn on Wall Street. Observed brokerage analyst Perrin Long of New York-based Lipper Analytical Securities "What we're seang is old corporate America rising up against aggressive law firms and aggressive investment banks whose primary interest is in making a buck."

—LENNY GLYNN in New York

An Island dilemma

In a tiny province with a stubbornly high unemployment rate, reports that a major high-tech company was planning to build a new manufacturing plant were expected to draw nearly universal approval. Indeed, Prince Edward Island Premier James Lee was clearly delighted when he and Ronald Keating, president of Toronto-based Litton Systems Canada Ltd., held a press conference last December to reveal that Litton had picked an industrial perk on the outskirts of Charlottetown as the site of a new plant to build radars for a Swiss-designed anti-aircraft system. The $18-million factory, Lee said, would provide 345 direct jobs and 487 indirect jobs by 1991—cutting P.E.I.'s current 13.9-per-cent unemployment rate to nine per cent. But the announcement swiftly met widespread opposition.

Last week protests continued to mount from politicians and peace groups, university professors and churches, who argued that new jobs must be compatible with the traditional style of Island life. The 100-member Island Peace Committee, for one, planned a meeting for Sunday, Jan. 5, in Charlottetown to gather support for opposition to the Litton plant. And in a letter published in the daily *P.E.I. Guardian*, the Latin American Mission Program of Charlottetown's Roman Catholic diocese declared its "firm opposition" to "a company whose object is to aid in production of weapons."



Thomas McMillan planning pressure

For his part, provincial NDP Leader James Mayne told *Maclean's*, "I believe Islanders would rather work for peace." Added Libby Oughton, president of Ragweed Press of Charlottetown: "The 345 jobs for P.E.I.'s 7,000 unemployed are not enough to welcome a company that makes strategic weapons to support the global war machine."

Still, many Island politicians welcome the impending arrival of Litton, a company best known as the maker of the guidance system for the U.S. cruise missile. Litton officials have said that they will construct the P.E.I. plant only if their Swiss partner, munitions maker Oerlikon-Bührle Ltd., wins a three-way competition to provide the Canadian Armed Forces with a $605-million low-level air-defence (LLAD) system to protect its airfields and armored brigades in Europe. As the lead Canadian subcontractor, Litton would make the radar for Oerlikon-Bührle Ltd.'s air defence antitank system, or ADATS, at its proposed Island facility.

The other two finalists in the competition for the federal weapons contract have also aligned themselves with Canadian subcontractors. Swedish arms manufacturer Bofors Ordnance has chosen Montreal-based Canadian Marconi Co. and is offering its newly designed Trinity mobile gun system. The third contender is the Zurich-based antiaircraft and artillery maker Contraves, which is selling a gun and missile system in conjunction with Raytheon Canada Ltd. of Waterloo, Ont. (Contraves is a division of the Oerlikon-Bührle Group, which also controls Oerlikon-Bührle Ltd.)

Last month, to ensure that the Litton—Oerlikon-Bührle team won the LLAD contract, a group of 13 politicians and civil servants from the Island, including Conservative and Liberal senators and MPs, met over dinner at the Wellington Building on Parliament Hill. With the contract to be awarded early in April, the group made plans to pressure key government departments.

The group, led by federal Environment Minister Thomas McMillan, included McMillan's brother, Charles, who is chief policy adviser to Prime Minister Brian Mulroney, and George Henderson, Liberal MP for the Island riding of Egmont. Thomas McMillan told *Maclean's*, "I believe it is the first time that all P.E.I. parliamentary personnel and senators in Ottawa have set aside party lines, agreeing that this is a good thing for P.E.I. and its population." He added: "Litton and Oerlikon-Bührle have a good chance of getting the contract. They are the only consortium that plans to build a plant in Canada."

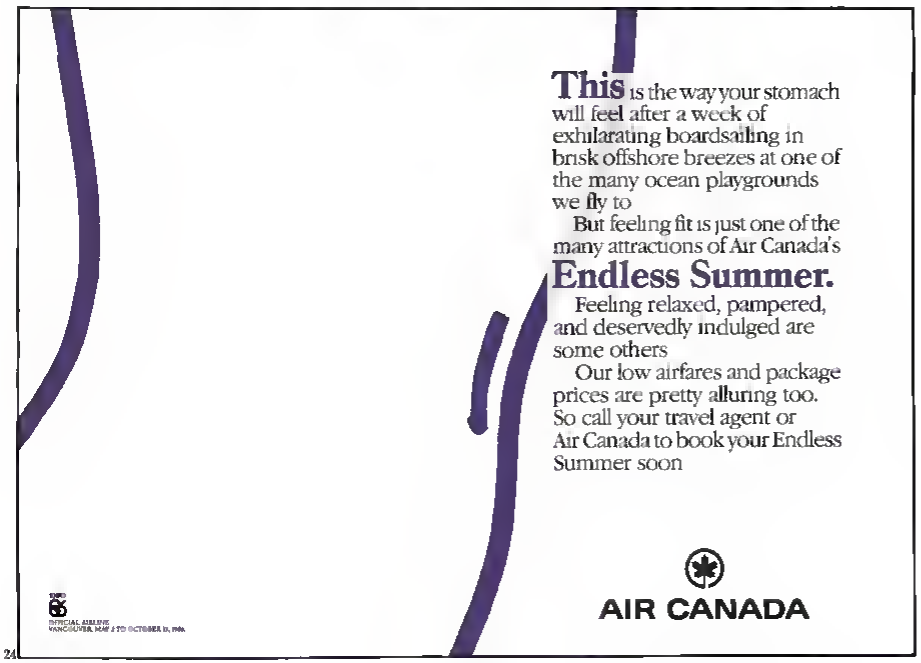
For its part, P.E.I.'s Conservative government has aggressively courted Litton. A three-man delegation headed by Lee visited Keating and his executives in Litton's Toronto offices last March. Litton studied 25 sites in the Maritimes—the company decided it would gain an advantage in the competition if it located in an area of high unemployment—before choosing the West Royalty Industrial Park, on the western outskirts of Charlottetown. Said Litton spokesman Bud Maclean: "It is one of the best industrial parks in Canada, specially planned for high-tech industry."

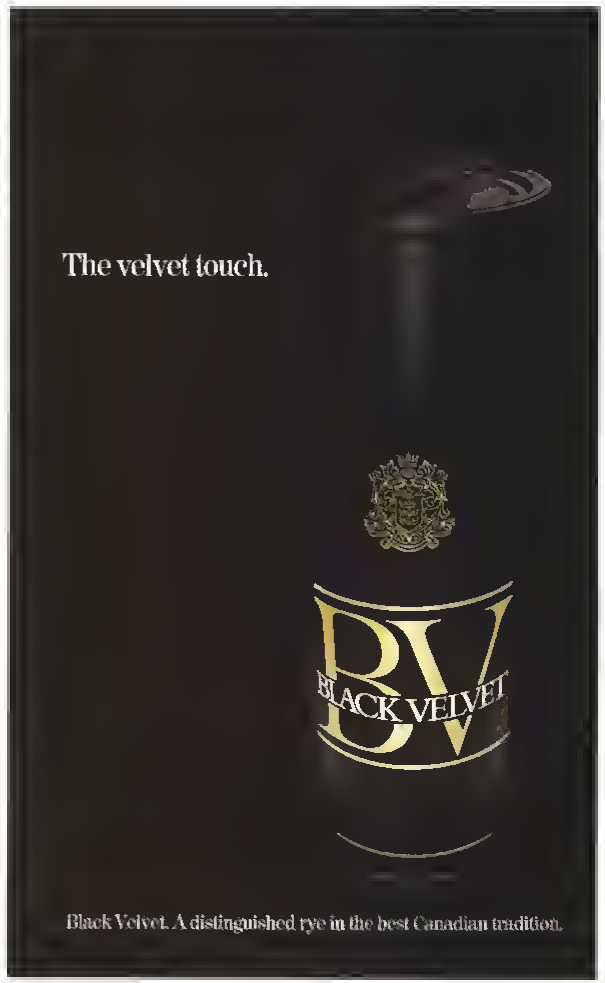
If the Oerlikon-Litton bid is successful, P.E.I. officials estimate that, in addition to 832 direct and indirect jobs, the province will gain $4.7 million annually in corporate and personal taxes. And if Oerlikon can sell the ADATS to other NATO countries, the product will have a 10- to 15-year life cycle. As well, Litton plans to add new product lines to its P.E.I. plant in the future—a development which could attract other manufacturers. Said Lee: "Litton's selection of P.E.I. strengthens my conviction that P.E.I. is an area where high-technology industry can prosper."

But critics of the Litton proposal oppose it on both economic and moral grounds. Liberal Opposition Leader Joseph Ghiz says the Lee government has not revealed what economic incentives it has offered Litton to locate on P.E.I. Added Estelle Reddin, head of the home economics department at Charlottetown's University of Prince Edward Island: "It is sad that the government shows such hesitation to bolster the primary Island industries and yet is anxious to invest in the location of such an industry as Litton's."

Federal MP George Henderson defended his support for the Litton proposal by pointing out that the plant would make parts for defensive, not offensive, weapons. He added, "My constituents would think it strange if I didn't support any venture that could possibly bring so many jobs." But for many Islanders, apparently even defensive weapons offend their approach to the workplace.

—BARBARA MACANDREW in Charlottetown





Black gold in the Arctic

In the past two decades Canadian oil companies have spent $6.5 billion plumbing the frigid waters of the Beaufort Sea at the mouth of the Mackenzie River. In September, 1984, Gulf Canada Ltd. of Toronto excited many industry experts when it discovered the Amauligak J-44 well, 75 km north of Tuktoyaktuk, N.W.T., the first evidence of a potential bonanza in high-risk Arctic oil exploration. Then, last week Gulf executives expressed jubilation over test results from a second well in the same oil field. Said Andrew Gustajtis, vice-president and senior oil analyst with Walwyn Stodgell Cochran Murray Ltd., a Toronto-based investment firm: "The test rates of 7,000 barrels a day would make it the most productive oil well in Canada."

Indeed, industry analysts are confident that further development of the Amauligak field will pave the way for commercial production in the Beaufort—and justify the $1-billion to $2-billion pipeline extension needed to ship the oil to southern markets. The closest pipeline ends 500 km short of the sea at Norman Wells, N.W.T. Gulf and its competitors in the Beaufort, including Dome Petroleum Ltd. and Esso Resources Canada Ltd., have to be certain that together they can produce at least 50,000 barrels of crude a day to justify a pipeline extension. Gulf estimates that the new I-65 well, once fully developed, could produce 35,000 barrels of oil a day—50 per cent more than wells in the Hibernia field off Newfoundland. Gulf's 1984 discovery could add 13,500 barrels a day. Said Keith Caldwell, Gulf's vice-president of exploration: "It has the necessary characteristics to make it the lead project for Beaufort Sea development."

That declaration was welcomed by the Reichmann family of Toronto, which spent $2.85 billion in August to purchase Gulf Canada from its U.S. parent, Chevron. But Gulf will not confirm the extent of the field until 1987 or 1988 when tests are completed. If commercial production goes ahead—the early 1990s is a likely target—it would finally prove that the industry's giant investment in the western Arctic was a wise one. Said Caldwell: "Our news has caused quite an upbeat feeling in the Beaufort." That was one of the more restrained reactions to last week's discovery.

—ANN WALMSLEY in Toronto



Vancouver Stock Exchange following in the footsteps of a popular Quebec plan

Investing in recovery

Residents of British Columbia who make their investment decisions later this year will have an unlikely partner—the provincial government. Faced with continuing high unemployment and an economy that lags behind the rest of Canada in its recovery, the government of Premier William Bennett two months ago followed the lead of Quebec and Alberta and developed a plan to attract fresh funds to the province's private sector. Under the $100-million Equity Investment Plan, B.C. residents will be eligible for interest-free loans if they buy newly issued shares in companies that trade on the Vancouver Stock Exchange (VSE). The plan, said B.C. Finance Minister Hugh Curtis, has "significant potential to inject new vigor into the economy of this province."

Beginning this month, each resident who buys new shares can qualify for a loan for 25 per cent of the purchase price, to a maximum of $2,500 per year. If the investor makes a profit, the government recovers its loan. If the investor suffers a loss, the government settles for 25 per cent of the selling price.

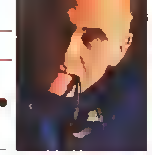
The Equity Investment Plan is the latest attempt to copy the Quebec Stock Savings Plan (QSSP), which has enticed more than 200,000 Quebecers to invest in local companies since it was introduced in 1979. Last year residents could deduct from their taxable income 50 to 150 per cent of the money they invested. Since the plan's inception about $2 billion in new capital has been raised.

The first province to imitate the QSSP was Alberta. Last fall the Conservative government of former premier Peter Lougheed devised a $10-million tax credit system that takes effect this month. Residents will receive tax credits—limited to $3,000 this year—of 10 to 40 per cent for each investment in Alberta Stock Exchange companies. Inspired by those programs, the Toronto Stock Exchange asked the provincial Liberal government last fall to consider an Ontario Junior Equity Plan to provide grants for investors in small companies. But TSE officials admit that the Ontario government is skeptical about the proposal, because it could benefit high-income taxpayers.

In British Columbia some economists point out that because speculative companies dominate the VSE, investors may find the selection limited. Richard Allen, the chief economist with the B.C. Central Credit Union, said that he doubts a 25-per-cent interest-free loan will attract many new investors into the marketplace. Still, the Social Credit government has pinned part of its recovery program on the hope that its citizens will be adventurous enough to do just that.

—MARY JANIGAN with DIANE LUCKOW in Vancouver

Three great Canadians remember



By Peter C. Newman

Some old men do not forget, and the memoirs of at least three great Canadians decorate the current publishing lists.

The most interesting personality among them is businessman-jurist J.V. Clyne, whose *Jack of All Trades* (McClelland and Stewart) beautifully captures his life as a cowboy, deckhand, mounted policeman (during the 1926 London labor troubles), expert on the laws of the sea, chairman of the Canadian Maritime Commission, justice of the British Columbia Supreme Court and chairman of MacMillan Bloedel Ltd., the huge West Coast lumber company that became a profitable multinational under his direction.

Now 83, Clyne is still thundering against Pierre Trudeau's Constitution Act of 1982, claiming it is far too loosely worded and "puts judges in the position of making political decisions that should be made by legislators."

Clyne has led a charmed life, getting to know everybody who mattered, easily switching from the private to the public sector and back again, believing in a loosely defined set of structures that allowed him to get things done without hurting too many people in the process. Unlike most corporate chairmen, he was always intrigued by testing new techniques and trends to see what might happen—and he was never out of touch with the subterranean pressures that reshape the nation's power structure.

My favorite anecdote in the book concerns an obscure point of federal shipping policy. Clyne was then chairman of the Canadian Maritime Commission and, as such, a member of the External Trade Policy Committee, a body of senior civil servants charged with advising cabinet ministers on how to improve Canada's trade situation. When Clyne pointed out that one of the options being discussed by the bureaucrats was contrary to current government policy, Clifford Clark, then deputy minister of finance, leaned across the table to ask, "Jack, are you absolutely sure you are right?"

"Absolutely."

Clark, who was probably the most powerful civil servant ever spawned by Ottawa, smiled beatifically at his colleagues and delivered his verdict. "In that case, gentlemen, we must change government policy."

Another, far less interesting, but useful memoir is *The Entrepreneurs* (McClelland and Stewart), in which Albert Cohen reminisces about the founding and flowering of Cendis Inc., his family holding company. A high school dropout, Cohen, with his five brothers, turned a tiny Winnipeg-based importing distributor into a major corporation with 1985 sales of $525 million. "I never had a youth," Cohen complains, "I went straight from childhood into business, and I missed that part of my life." What pushed the Cohen empire into 40 years of uninterrupted forced-growth was Albert's amazing inability to recognize impossible challenges, so that no matter how tough a business problem seemed to be, he bulled his way through it.



Clyne at 83, still thundering on

The Cohen family was the first to import Paper-Mate pens ("Brings you eight miles of permanent writing") and Sony electronic products. The greatest value of the Cohen book is a meticulously documented description of how he has dealt with Japanese businessmen over the past three decades. (Sony, incidentally, got its name from the Latin word *sonus*, adapted to the company symbol at the time, a doll called "Sonny Boy".)

In *The Unfinished Country* (Douglas & McIntyre), Bruce Hutchison, the West Coast sage who has spent a lifetime ruminating about what makes this country unique, has what he says is his last word. It is an essential chronicle of a long and productive marinating. Despite his 84 years, Hutchison is still slightly ahead of his time. "Canada's last election in 1984," he notes, "was a frightening exhibit of reality evaded, the hard unpopular decisions postponed though not for long."

A confidant of half a dozen Prime Ministers and still plugged into the U.S. political power structure at its highest levels, Hutchison calls the Princeton house of longtime presidential adviser Bill Bundy his "second home," and details how he revised the writings of Dean Acheson, secretary of state under Harry Truman.

In a spirited chapter on the prospects of free trade, Hutchison explains how the quest for an increased sense of sovereignty, not economic gain, has always decided the issue. "The nation is more than an economy," he contends. "It was born and lives on factors intangible, instinctive, inexpressible. Those mindways and clustered memories are well understood, or felt, and shared by most Canadians whatever their political views may be. If that spirit is lacking, if the original idea of Canada is dead, the nation will die also, whatever economic policies are enforced to save its life."

The Unfinished Country is a haunting book because it revives many ghosts of Canadian history—the conscription crisis of 1917, the notorious Annexation Manifesto of 1849 and Sir John A. Macdonald's National Policy of protection among them—and applies their lessons to current events. Bruce Hutchison's final judgment is tough and realistic. "There is no guarantee," he writes, "that real free trade would make Canadians richer. The effect could be the opposite if existing, American-owned industries in Canada, now dependent on the protective system, moved home to the United States. The lure of full continental economic union has always been rejected in the past and is likely to be rejected again if the chance is offered."

The growing ranks of the homeless

It is 10 p m at the women's shelter in downtown Ottawa's All Saints Anglican Church, and 19 homeless women are shuffling in from the icy cold There is the shelter's oldest guest, Frances, a wizened 82-year-old who rarely talks and never laughs There is the widow Ellen, 54, a former domestic who tells tales of blood and violence to anyone who will listen and whose dreams are alway marked by cries and groans There is 43-year-old Karen, a former psychiatric patient with a mind muddled by years of electroshock therapy And there is Elizabeth, a bedraggled 30-year-old who has given up trying to take care of herself Declared Catriona Galt, 33, the shelter's founder and co-ordinator "They are the new untouchables Nobody wants to know them And nobody wants to know about them"

That disturbing scene last week at the two-year-old Ottawa hostel is one of the many dramas that play their course every night across the nation as the homeless scramble for food and shelter No one knows how many thousands of people trudge from hostels to soup kitchens on Canada's streets But church and social workers agree that their number is growing in most cities and that their composition is changing Only a decade ago most were men in their 40s or 50s—"winos" whose presence was taken for granted as a fixture of urban life. But the new homeless of the winter of 1985-86 include large numbers of woman and young people—and a startling number of families Many have psychiatric problems—but well-meaning provincial officials have released them from institutions Some—like Toronto bag lady Drina Joubert, who froze to death in an abandoned truck last month—have alcohol or drug problems Said Patrick Johnston, executive director of the National Anti-Poverty Organization (NAPO) "We cannot restrict compassion to those we like There is something wrong when there are so many people who do not have shelter in a society as rich as Canada's"

The psychiatric patients began to people the nation's streets in the mid-1960s when legislators decided that many inmates of asylums would be better off in so-called normal surroundings Since then provinces have closed about 45,000 psychiatric hospital beds But the policy was implemented too quickly—and with too little attention to the provision of alternate care Declared Rev Sylvio Michaud, the director of the Montreal Roman Catholic Archdiocese hostel, La Maison du Père "The government's philosophy is to empty the psychiatric hospitals The older men are afraid of the young psychiatric patients because they can become violent" Added Toronto's Fran Caron, a homsless woman of 39 "Hostels drive you rangy There are all kinds of people there, people on



Galt with Frances more women, young people and families are joining the ranks

drugs, from mental institutions, from prisons And even women fight"

But even the sanest can be driven into uncertainty by the stress of life on the streets, accompanied almost inevitably by poor nutrition René Michaud, a 25-year-old resident in Michaud's shelter whose arms are coated with tattoos and whose eyes smoulder with rage, told *Maclean's* that he has never held a job and added "I'm always alone You can't trust just anybody" At Halifax's Hope Cottage soup kitchen, a portly man in his mid-40s called Gerry mutters "Hello, Lollipop" to blank walls Ottawa's Galt cites the case of 30-year-old Elizabeth, who is so worn by the strain of living out of a paper bag that she sits in flimsy clothing and no boots outside the church even on cold winter days

Adding to those problems are the newly homeless women and youths Many have no skills—and it is unlikely that they will ever find a job In Montreal there are an estimated 3,000 to 4,000 homeless women—but only 77 beds for them in emergeney shelters In Halifax, Hope Kitchen director Rev Peter McKenna says that when the soup kitchen first opened in 1970 the average age of its patrons was 55 Now, 60 per cent are under 35 Montreal's Michaud added that many of the new homeless are victims of inner-city renovations which have turned former rooming houses into condominiums and upper-income homes

Those problems are compounded by the high cost of living The unofficial Statistics Canada poverty line in 1984 was $9,800 for a single person in Toronto and $20,000 for a family of four But Toronto welfare payments are only $286 per month for an unemployable person as well as a shelter allowance up to a maximum of $115, for a total of $4,812 a year Said NAPO's Johnston "There is no province that pays what is even close to the poverty line Combine those low payments with high rents and low vacancy rates and you realize why families are starting to show up at emergency shelters"

Across Canada, shelter residents tell haunting stories of destitution—and of the dignity and bravery of the human spirit Calgary's Rull Doble, 43, has lived on the streets and in the provincial Single Men's Hostel for five years Before that he joined other transients as they huddled for warmth wherever they could find it, and he recalled "We shared our liquor, we shared our tobacco, we shared our pity and shared the warmth of our bodies We came through with a degree of togetherness and sharing I think that's what kept us warm" Vancouver's Wes, 32, said that last fall he slept in a viaduct, huddled in a sleeping bag, because, he said, "it beat paying $200 for a roach-infested, mouse-infested room"

Montreal's Marie, 25, told *Maclean's* that she spent four years alternating between staying with friends and sheltering in a small tent she pitched on undeveloped land on the eastern tip of the island of Montreal Now she is supplementing her $164 monthly welfare cheques with a $2 50-an-hour job delivering pamphlets door-to-door Despite the pressures of poverty and homelessness, Marie says that she never resorted to theft or prostitution "I want to succeed," she insists "I'm morally capable of surviving anything"

Other homeless people struggle with alcohol or drug addictions Montreal Christian Brother Yvon Larente says that many of the men at La Maison du Père hostel waste their monthly welfare cheques in a few days of riotous living "They go out and take taxis, buy a case of beer, pick up a prostitute and take a room," he said "Our concern is how to stop them from spending their whole cheque in three days." Toronto's Maryanne Dzondzala, 25, has spent four of the last six years in jail for such crimes as forging prescriptions She cannot get admission to many hostels because she drinks, takes drugs and sometimes becomes violent To avoid a night in the open, such people often openly commit crimes to gain the meagre comfort of a jail cell

There are no easy solutions for anyone living on the nation's streets, although social workers are almost unanimous in their calls for increased social assistance payments and affordable housing The federal government estimates that one million Canadians either live without shelter, live in substandard accommodation or spend more than 30 per cent of their income to maintain a residence Despite that need, Ottawa has only $1 2 million in its housing budget to help them Said Johnston "It is a political issue And if there is no public outery about the homeless, politicians will be less inclined to help"

In the short term, most hostel directors say that Canada needs more shelters. Disturbed by the sight of thousands of mentally ill people wandering the sidewalks and subways, New York Mayor Ed Koch ordered police this winter to put all homeless into shelters whenever the temperature drops below freezing, and he has requisitioned unused armories to make that possible Toronto Mayor Arthur Eggleton told *Maclean's* that he is considering a similar order But temporary shelters are poor substitutes for homes And many indigents simply refuse to go to hostels that place them in large, crowded rooms, strip them of their possessions and impose childlike rules such as a 9 30 p m "lights out"

One of those holdouts was Joubert, the 41-year-old bag lady who froze to death on a night when there were 19 beds available in nearby hostels Joubert hated large institutional rooms, according to Rev Bradley Lennon, pastor of Toronto's All Saints Anglican Church When the smaller hostels were full, she crawled into the cab of a pickup truck in a crumbling downtown garage There she lived—and there she died—surrounded by her meagre shopping bags of clothes, empty wine bottles, crumpled cigarette packages, stomach medication and an alarm clock Lennon said that Joubert hated the indignity of growing old in a shelter that could never be a home And he added, "As long as welfare rates are not high enough, we are going to have more people who are freezing out in the cold"



Toronto derelicts: since a bag lady froze to death in a pickup truck, the city is considering forcing its indigents into hostels

—MARY JANIGAN with JANE O'HARA in Vancouver, SALLY BANKS in Calgary, GARRY MOIR in Winnipeg, ROBERT BLOCK in Toronto, DAN BURKE in Montreal, CHRIS WOOD in Halifax and LENNY GLYNN in New York

Eliminating a 'national disgrace'

Shortly before Christmas, "Stacey," a 23-year-old Vancouver prostitute, received an unexpected $20 bonus from a man who was not a customer. He told her: "Take this. You're going to need it." The generosity seemed rare because of the traditional hostility between the city's prostitutes and residents who have been vocal in demanding an end to street soliciting. But it underscored the apprehension that prostitutes feel as a result of tough new antisoliciting laws which Parliament passed last December. The uncertainty is shared by Canadian law enforcement officials, who welcomed the law as a necessary means of cleaning up the streets of Canadian cities. The reason: the law has generated criticism from lawyers, prostitutes, civil rights groups and feminists. Declared Thomas Flanagan, Ottawa's deputy chief of police: "Police forces are going to exercise great discretion with this law. We're quite aware of the criticism."

Indeed, although Justice Minister John Crosbie said that the new legislation would almost eliminate the "national disgrace" of street prostitution within a week of its implementation, police have made few, if any, arrests in the month since the bill became law. Specifically, the legislation was intended to overcome severe restrictions placed on police as a result of a 1978 Supreme Court of Canada ruling which said that prostitutes must be "pressing and persistent" before charges could be laid under the Criminal Code. To that end, the new legislation grants police sweeping powers to arrest anyone who "in any manner communicates or attempts to communicate with any person for the purpose of engaging in prostitution." As well, it carries fines of up to $2,000 or six months in jail.



Crosbie: a tough law

Although police spokesmen say that the number of prostitutes on the streets has recently declined, it is not clear whether that is a result of the onset of winter or awareness of the new legislation. Meanwhile, the police are watching the growing debate over several issues related to the bill, including its constitutionality. Robert Wells, president of the Canadian Bar Association, told *Maclean's* that almost every aspect of the bill will probably be tested in the courts. And law enforcement officials across the country have sought the advice of prosecutors and other lawyers to determine what sort of evidence is needed to obtain convictions under the law. Declared Niagara Regional Police Force Chief James Gayder: "I would not want to jeopardize the act by doing something when we do not have concrete evidence."

The bill's broad definition of soliciting has also come under attack. Alan Borovoy, general counsel of the Toronto-based Canadian Civil Liberties Association, says that the language is so broad that "a wink, a nod or a smile" could lead to criminal prosecution. Said Borovoy: "It is another example of the propensity in this country for enacting draconian legislation to address problems." Added Stacey: "They have taken our pictures. If I am standing in line in the supermarket just talking to a man in front of me, the police could charge me."

For her part, Samantha Sanderson, chairman of the justice committee of the Toronto-based National Action Committee on the Status of Women, says that the bill will not necessarily decrease the number of prostitutes, because it ignores the underlying social and economic issues that contribute to prostitution. Declared Sanderson, who calls for more social programs: "Women are not yet able to earn money the same way men are."

And Marie Arrington, an organizer of Vancouver's Alliance for the Safety of Prostitutes, says that the law will force prostitutes into "dodging and hiding" in order to earn a living—and will make their existence more dangerous. Added Arrington: "If anyone gets injured or killed by a trick while working, no one will even know they are missing." As well, she added that the legislation has created "an employment boom for pimps," who direct potential customers to prostitutes.



Vancouver prostitute apprehension

Despite the outcry, police officials say they are optimistic that the legislation will enable them to reduce street soliciting significantly as a public nuisance. Declared Halifax police chief Blair Jackson: "Now it is specific. If you proposition somebody on the street for sex, it is illegal." Added Edward Lister, Vancouver's deputy police chief: "I think it will give us the ability to exercise some measure of control over the situation."

That may indeed be the case. a 1981 Calgary municipal bylaw, which closely resembled the new federal legislation, effectively controlled street soliciting until the Supreme Court of Canada ruled that municipalities did not have the authority to implement such legislation. Still, a parliamentary committee will review the new legislation in three years. And if criticism continues to grow, it may well decide that the cure is almost as bad as the disease.

—BRIAN JEFFREY STREET in Toronto with DAN BURKE in Montreal and BRENDA RAEKIN in Vancouver



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HEALTH

A nonsmokers' victory

After three years of effort, Peter Wilson finally got what he wanted for Christmas when federal adjudicator Walter Nisbet ruled that the smoking habits of the civil servant's co-workers endangered his health. Health professionals and antismoking activists across the country also hailed the ruling as a landmark decision in the fight to ban smoking from all workplaces. But last week predictions that actions similar to Wilson's would mushroom throughout the federal civil service went on hold when the Treasury Board asked the Federal Court of Appeal to overturn Nisbet's ruling.

The decision to appeal reflects a widespread perception of the ruling's importance as a legal precedent. Nisbet, a lawyer with the Public Service Staff Relations Board, which arbitrates most disputes between the federal government and its unionized employees, upheld Wilson's grievance that secondhand smoke was "a dangerous substance" as defined by the Dangerous Substances Safety Standard—a document included in all Public Service Alliance of Canada contracts. To reach his decision, Nisbet, who has no medical or related training, relied on testimony from leading North American medical experts on the dangers of secondhand smoke. But the Treasury Board maintains that the safety standards were not intended to outlaw cigarette smoke. Paul Dunn, assistant director of the Treasury Board secretariat, said that the appeal was inspired in part by concern that Nisbet's ruling, if unchallenged, would require the government to provide separate, ventilated rooms for all civil servant smokers. Added Dunn: "It is quite obvious that the costs would be very high, and we are dealing with taxpayers' money."



Smoker in office a legal precedent

With the appeal, the Treasury Board will become the second government department to argue publicly against the dangers of secondhand cigarette smoke. But both it and Health and Welfare Canada, which persistently fought Wilson's grievance, are anxious to avoid the appearance of being pro-smoking. Indeed, last week the health department put in place a tough new policy that goes at least as far as Nisbet's ruling in restricting smoking in all its offices. Shortly before the appeal was filed, director of administrative services Bernie Driscoll told *Maclean's* that the policy was not inspired by Nisbet's ruling, and that in any case the department welcomed the decision. He added, "Until this, there was a chance that if a smoker challenged our new policy we might have had trouble making it stick."

Together with the appeal, that abrupt change of heart has at least temporarily reduced the impact of the Nisbet ruling as a legal precedent. But the case has clearly shown that employers wishing to battle the anti-smoking movement in the courts could face embarrassment. During the hearing, Nisbet disregarded the department's arguments in favor of evidence presented, in large part, by its own experts. Said Wilson's lawyer, Derek Dagger: "That department is the one that puts the warning on cigarette boxes about the dangers of smoking."

Still, it now seems likely that the most significant legacy of the Wilson case may be its role in helping to build a far-reaching consensus on the dangers of secondhand smoke, rather than its effect on subsequent legal battles. To that end, Wilson said that the new health department rules have already led many of his smoking colleagues to give up the habit altogether—not just in the office—in the New Year.

—DAVE SILBURT with BARBARA WADE ROSE in Toronto



Measles on a rampage

Lining up at a doctor's office or health clinic for an immunization shot is an experience that most children do not favor. But over the holiday season hundreds of Manitoba children did just that in the face of the province's most serious outbreak of measles since 1979. By last week the health department had confirmed about 430 cases of the childhood disease—marked by red skin rash and high fever. And Dr. Margaret Fast, Manitoba's director of communicable disease control, says that many cases have probably not been reported. Said Fast: "There is always the danger that you get lulled into security because you don't hear reports of any cases. Then they all come out of the woodwork."

Red measles, generally considered little more than a harmless inconvenience, can lead to pneumonia and, in isolated cases, inflammation of the brain which results in permanent damage. The first reported case in the Manitoba outbreak occurred in September in Thompson, a 14,222-resident mining community 740 km north of Winnipeg. During the next three months at least 330 of the town's 8,000 children contracted the highly contagious virus. Then, in December the disease spread to Winnipeg—where more than 100 cases had been reported by last week—and other centres.

Provincial health officials say they are still searching for the source of the virus. But because Thompson has a highly transient population, they add that a carrier could have come from almost anywhere. Meanwhile, officials began to establish immunization clinics in schools on Dec. 16 and staffed additional clinics during the holidays. By last week Manitoba's health department had distributed 7,000 doses of vaccine, and authorities said that the worst of the outbreak was over.

In fact, Manitoba escaped relatively lightly in 1979, 885 of the province's children contracted the virus and earlier this year more than 1,000 confirmed cases occurred in British Columbia. Still, provincial authorities are taking many precautions. In Thompson children have to show proof of immunization when they return to classes, and a similar plan is under consideration for Winnipeg. Indeed, some Manitoba children may yet find their holidays unpleasantly extended.

—GARRY MOIR in Winnipeg



Vancouver Island: advertising Canadian cities rather than scenic beauty

MARKETING

Selling a new Canada

Traditionally, most Canadian advertisements designed to attract U.S. tourists have accented Canada's scenic attractions. But when Ottawa launches a major $15-million advertising campaign in March, it will try to convince Americans to experience a different aspect of the country: the streets of Canadian cities. The campaign consists primarily of six upbeat television commercials which stress that there is more to Canada than "moose, mountains and Mounties," according to Patrick Lennon, acting director general of marketing for Tourism Canada. But even though the planned campaign has already generated enthusiasm within the Canadian tourism industry, critics have attacked it as blatant Tory patronage. The reason the government gave the contract to Toronto advertising agency Camp Associates Advertising Ltd., established by former Conservative party president Dalton Camp and now run by Norman Atkins, chairman of the Conservatives' 1984 election campaign.

Ottawa's initiative is the result of a $1.2-million government study last year which showed that Americans were unaware of Canada's urban attractions. But the government also hopes to revitalize Canada's tourism industry, which is growing at a slower rate than that of almost any other industrialized country. Between 1972 and 1983 the industry experienced a mere eight-per-cent growth to $18.5 billion. In the same period Canada's share of travel dollars from countries whose citizens travel frequently declined to three per cent from almost five.

Lennon told *Maclean's* that the traditional selling points will not be abandoned. He said, "We won't throw away the outdoors, because you don't throw away business that you already have." But the TV commercials, which will appear in all major U.S. cities for at least a year, will extensively promote the virtues of Canada's cities. As well, ads in large-circulation U.S. magazines will point out the advantages of the weak Canadian dollar to Americans, of whom an average 175,000 per day visited Canada in 1983.

Although the industry has applauded the increased government interest in tourism, some spokesmen say that it is not a complete solution because high Canadian taxes on liquor, gasoline and airline tickets keep visitors away. Meanwhile, Ottawa had to deal with further criticism which erupted last week when the 160,000-member Public Service Alliance of Canada charged that the ad campaign will cost more than previous ones. The reason, according to the union, Camp Associates will assume many of the public relations and planning responsibilities previously handled by the department of regional industrial expansion, which includes Tourism Canada—even as the department prepares to cut 15 jobs from its communications branch.

—MICHAEL ROSE in Ottawa

For Manhattan-born actress **Lesley Ann Warren**, 38, the transition from song-and-dance ingenue (in such Disney films as *The Happiest Millionaire*) to femme fatale (her current role in the movie *Clue*) was a logical progression in a successful 20-year career. "Mixing it up is the key," she declared. "They say you can't go from TV to film, that you can't play a ditsy blonde and a mature woman. Well, I have repeatedly proven that you can." Warren's roles over the years have varied from a Polish-Jewish émigré in the TV mini-series *Evergreen*, through a "drugged-out, drunken country singer" in the movie *Songwriter*, to a shrill harpy in the movie *Victor Victoria*, for which she won a best-supporting-actress Oscar nomination. As Miss Scarlet in *Clue*, the film version of the classic British board game, Warren manages to breathe vibrant, bitchy life into a one-dimensional role, and she has just completed filming a mystery, *Apology*, in Toronto for U.S. cable TV, in which she plays a New York artist living in Soho. One film critic has said that Warren is the sexiest woman currently in films. Declared Warren: "Not bad. What could be better than sexy?" Then she added, "Unless, of course, your versatility as an actress is mentioned."



Warren: 'what could be better than sexy?'

Would-be celebrants who had a disappointing New Year's Eve should not worry, says humorist/playwright **Erika Ritter**, 37. "There is a superstition that whatever happens to you New Year's Eve determines the rest of the year. But just because you had a lousy New Year's doesn't mean you won't have a wonderful year." For her part, Ritter had neither the best New Year's Eve in her memory ("Times Square during Vietnam when the ball dropped, there was a spontaneous chant of 'peace, peace, peace' ") nor the worst ("When I was 15, I got drunk on my father's liquor and puked all night") With an excellent year shaping up (*Dayshift*, her new CBC Radio talk show, is a hit) Ritter says that she could afford to "treat New Year's Eve with the contempt it so richly deserves." As for New Year's resolutions, she made none. "They're stupid too." The exception: "I resolved that I wouldn't use any 'f' words on the air—like 'feisty', 'feedback' or 'food.' "

Ritter: avoiding certain words



The holiday season included a trip back to the past for Canadian-born actor **Michael J. Fox**, 24, star of TV's *Family Ties* and the movie *Back to the Future*, who spent several weeks over Christmas and New Year's in Vancouver renewing family ties with his parents and slicing up the ski slopes at Whistler. The embryonic moustache he was sporting for an upcoming segment of *Ties* granted him some anonymity, but as cohost (with actor friend **Jackson Davies** from TV's *The Beachcombers*) of CBC TV's New Year's Eve show, *Masque '86*, Fox drew crowds of autograph seekers at press conferences and rehearsals. He had a strange look on his face, reported Davies, when Vancouver Mayor **Michael Harcourt** approached with pencil and paper. The mayor just wanted to give Fox some information, but Fox later admitted that "just for a minute" he thought Harcourt wanted an autograph too.

Fox: back to the past



Last spring, as Canadian author **Farley Mowat**, 64, was about to embark on a book promotion tour in the United States, American immigration authorities stopped him at Toronto's Lester B. Pearson International Airport because of an alleged association with Communist groups. Declared Mowat: "I felt as though I had been kicked in the solar plexus." Since then he has written a best-seller about his experiences, *My Discovery of America*, and received more than 1,000 letters of support from American citizens. Now he says that the incident has turned to his advantage. "Overnight I became a public figure in the United States. The American press and public are on my side." Recently the Port Hope, Ont.-based raconteur told *Maclean's* about an earlier confrontation involving Americans that also had a positive outcome: a captain during the Second World War, Mowat and his regiment once exchanged fire with U.S. paratroopers in Sicily—each side under the impression that the other was German. Said Mowat: "The fight went on for half an hour until someone from the other side shouted, 'Who are those sons of bitches shooting at us?' We responded that we weren't sons of bitches, we were Canadians—and after that we became pals." He added: "Fortunately, since no one could shoot straight, nobody was killed."

—Edited by MARY MCIVER



Growing up with Mary

COVER



She walked into the living rooms of North America in September, 1970, and applied for a job at "WJM-TV" in Minneapolis. Her future boss, Lou Grant, told her, "You've got spunk." Scowling, he added, "I hate spunk." But Mary Richards got the job—and Mary Tyler Moore won a cherished place at television's family hearth. Last month an older, wiser Mary, seeking to renew her special relationship with prime time, applied for another job—on a sleazy tabloid named the *Chicago Eagle*. Its editor, Frank DeMarco, told her, "Mary, I just don't think you're tough enough." Then, when his phone rang, she ripped it out of the wall.

Mary is back, turning the world on with her smile—but reacting to its injustices with a darkening frown. Eight years after retiring from the popular *Mary Tyler Moore Show*, she has returned with a new half-hour series titled simply *Mary*. "It's nice to see her back," said Canadian comedian Catherine O'Hara. "Everyone in Hollywood compares what they want to do in situation comedy with *The Mary Tyler Moore Show*. She has to imitate her old show as much as anyone else."

Mature: The new show is much like the old—a situation comedy split between a newsroom and a living room—and once again Moore plays a single career woman coping in a climate of friendly chaos. But the new Mary is more mature and considerably less pliant than the one who used to whine, "Ohhhh, Mr. Grant." Television's favorite symbol of embattled optimism has, like the generation that grew up with her, shed her illusions. Unlike the irrepressibly sweet Mary Richards, Mary Brenner knows how to get angry. When the *Chicago Eagle*'s editor tells her that she could not handle a job at his paper, she fires back, "You don't know anything about me. I have faced more than my share of crises with a great deal of poise." The editor is intrigued. "Personal crises?" he asks. "None of your business," she snaps.

Indeed, since discontinuing *The Mary Tyler Moore Show* in 1977, Moore has weathered her share of personal crises. As syndication reruns expanded the show's audience to more than 50 million viewers, turning her into one of North America's most dependable household icons, her admiring public saw a rapid succession of traumas sweep away the foundations of her private life. In 1978 her younger sister, Elizabeth, died of a drug overdose. In 1980 her only child, Richard, accidentally shot himself to death. In 1981 her 18-year marriage to Grant Tinker, who created MTM Enterprises (page 40) and is now chairman of NBC, ended in divorce.

Grace: In 1984 Mary checked into the Betty Ford Center in Rancho Mirage, Calif., to seek treatment for a drinking problem complicated by diabetes. But Moore has long been aware that what set her apart in the public eye was her image of grace under stress. By confessing her drinking problem, she told *Maclean's*, "I am glad I was able to be a kind of role model for other women who identified with my ladylike qualities, who were then able to say, 'Well, if Mary can admit she had a problem with alcohol, then maybe I can too.'"

Stable: Now 48, Moore has found some equilibrium. She has conquered alcohol. Her third marriage, to 32-year-old New York City cardiologist Robert Levine, appears stable. Her new series is satisfying her insatiable desire to work—already wealthy, she does not need the money. And she is starring in a film, *Just Between Friends*, scheduled for release in March. She says that she has begun to overcome a chronic sense of insecurity. "I always felt that I didn't measure up, both in my personal and professional life," said Moore. "But now I work for the love of what I am doing. I work for the moment."

Her attitude may provide some necessary solace after the reception that her new series received during its first month. Despite favorable reviews, recent ratings show that it ranks 44th, attracting only a 24-per-cent share of the viewing audience. That is disappointing. CBS executives had expected that *Mary* would strengthen the network's ratings, while the CBC paid an undisclosed but large amount for Canadian rights to broadcast *Mary*.

But Moore's reputation as a class act is strong enough to inspire confidence in network executives who are usually unnerved by poor ratings. Harvey Shephard, senior vice-president, programs, of CBS, said that the show may be too adult for its early time slot (8 p.m. on CBS and 7:30 p.m. on the CBC). Younger viewers addicted to the broader family entertainment of *The Bill Cosby Show* and *Family Ties* may have trouble appreciating it. Said Shephard: "If it doesn't work, we will just move it to another time slot." In any case, *The Mary Tyler Moore Show* gained popularity after its first year.



Moore with husband, Levine (left), and Mary, with John Astin: confidence

Sitting on a blue sofa in her dressing room trailer—the same trailer on the same Studio City soundstage that she used for her old series—Moore appeared sprig-thin in a silver-spangled sweatshirt with padded shoulders, silver running shoes and stovepipe blue jeans. Around her neck hung a gold chain supporting a bronze medallion of Alexander the Great encircled with diamonds and rubies, a wedding gift from her husband. Methodically chewing Nicorette nicotine gum, she explained that she had given up cigarettes last August after smoking 2½ packs a day. "I never smoked in public," she said. "And I always made sure no pictures were taken of me smoking. I thought I could lead youngsters astray."

In a television era that features the chain-smoking glamor of *Miami Vice*'s Don Johnson, Moore takes unusual care to project wholesome values. But at the same time, despite the deepening lines around her legendary smile, she tries to maintain her image as the sexy, smart career girl—a self-possessed object of desire who resists being made a mere object. Her friend and former costar, Valerie Harper (*Rhoda*), has described the old Mary Richards character as "wholesome but not too wholesome. She likes a great big glass of cold milk to wash down her birth control pill." In her new show, Mary Brenner is a divorcée who displays more confidence than her old character and a more caustic wit. "But she still retains the old vulnerability," said Moore, "because, well, I have it personally. She reflects me, as did all the characters I played on series television. In real life, most of the actors in situation comedies are much like the characters they play."

Roles: Moore decided to return to television comedy after starring in a TV movie, *Finnegan Begin Again*, in 1984—her first comedy since leaving *The Mary Tyler Moore Show*. She said that the experience made her "realize how very much I missed it and how good at it I am." As well, there were not enough film roles to keep her busy. She approached Arthur Price, the president of MTM Enterprises, who hired writers David Isaacs and Ken Levine (*M*A*S*H, Cheers*) to create and produce a new series. "She had no concept in mind," said Levine. "But we all agreed that the show should reflect the 1980s—that its tone should be a little more cynical than the old show."

In fact, Moore's only request was that she not portray a mother. "I thought there were enough television shows," she said, "where women were grappling with the problem of raising children." The writers toyed with various roles—ranging from Mary managing a dinner theatre to Mary working as a congressman's aide—before settling on a situation almost identical to the unrevised script proposal for the old *Mary Tyler Moore Show*: Mary as a divorced newspaperwoman. But they introduced an element of sexual tension more suitable to a jaded era in place of the fatherly Lou Grant, the new Mary's boss, *Eagle* editor DeMarco, serves as both a comic antago-

nist and a leading man

After a difficult search, the producers cast James Farentino in the editor's role Said Moore: "We have no idea when that first tentative screen kiss will take place, if it ever does, but that's our aim right now." Isaacs and Levine said that they hope to stretch the unconsummated flirtation over three or four years A comedy series with a romantic undercurrent between two middle-aged characters is unusual, added Moore "But in real life," she laughed, "I happen to know one or two people in their mid-40s who are still sexually very much alive."

Strong-jawed Farentino was serving as the leading man for Joan Collins in the mini-series *Sins* when he auditioned for the *Mary* role He says he senses "a chemistry that you cannot explain" between himself and Moore For one thing, both performers have brushed with alcoholism amid Hollywood's stresses Moore said that her former habit of drinking a couple of martinis before dinner "helped me to release a lot of the control I tend to exert in my daily life." Farentino began drinking heavily two years ago, while starring in *Blue Thunder*, a short-lived ABC action series about a helicopter pilot. "The show was terrible," he said "I would have a fifth of booze in the studio cockpit with me just to get through it." In 1984 he checked into the Betty Ford Center, the same celebrity-blessed haven that Moore had left the previous month

Brisk: On the MTM sound stage, where the show is filmed three Fridays a month before a live audience, the atmosphere is brisk but convivial Moore, her 120-lb., five-foot, seven-inch figure clad in a pink workout suit, profits from lulls in rehearsal by doing stretches and knee bends Ballet bars are set up in a corner, where she takes dance classes with other MTM employees at lunch hour From early childhood, her first love was ballet Even now she says, "If I had the ability to choose, I would be a ballet dancer, live in a company, travel and have no more responsibility than sewing the ribbons on my point shoes."

Moore was born on Dec 29, 1937, in Brooklyn She began to pursue her performing career at the age of 9, when she first studied ballet Her middle-class parents, George and Marjorie Moore, encouraged her show-business aspirations, in fact, her father had some of his own- An auditor for the Consolidated Edison utility until 1946, he quit his job and moved to Los Angeles after his brother-in-law had invited him to work as a production assistant on the *Abbott and Costello* radio show But the show died after 39 weeks, and George Moore, ill-suited for the rigors of Hollywood, found a job with Southern California Gas Company, where he remained for 37 years

Sin: His daughter attended a Roman Catholic school in California Despite her staunch Catholic upbringing, she recalled, "I was told that prolonged kissing was a mortal sin, but I knew that I liked it and I was probably going to do it again." One kiss led to another and at 17 she married her next-door neighbor, Richard Meeker, a 27-year-old public relations executive Her parents tried to stop the marriage, but when the couple threatened to elope to Las Vegas they finally agreed to a church wedding Recalled her father: "She got married primarily so she could stay out later at night."

Two months later she got pregnant—about the same time that she landed her first professional role, playing Happy Hotpoint, a pixie sheathed in a leotard who danced over stoves in TV appliance commercials She earned a $10,000 annual salary, an enormous sum for a teenager in 1955, but she had to give up the role when pregnancy began expending the leotard

After working as a TV chorus dancer for such performers as Dean Martin and Jimmy Durante, Moore concocted a fake theatrical resumé and switched to acting Her first brief series role was in 1957 on *Richard Diamond, Private Eye*, where she played Diamond's sultry-voiced answering-service girl, but the camera showed only her legs and hands Later, guest spots led to an audition for the Danny Thomas series, *Make Room for Daddy* Thomas, who called her "the girl with no nose, three names and a big smile," decided that she was not right to play his daughter. But the next year, when he and Carl Reiner were preparing *The Dick Van Dyke Show*, he cast her as the scatterbrained Laura Petrie Playing housewife and straight man to Van Dyke's manic Rob Petrie, Moore displayed a keen sense of comic timing that helped make the show a hit

Partner: With success came divorce—and a new marriage to NBC executive Grant Tinker in 1963 In Tinker, she acquired both a husband and a future business partner The series was cancelled in 1966 when Van Dyke moved into film work Moore followed his lead, making *Thoroughly Modern Millie* with Julie Andrews and *Change of Habit* with Elvis Presley Then, in 1969 CBS reunited Moore and Van Dyke in a TV special It was so popular that all three U S networks offered her a series On Tinker's advice, Moore accepted the CBS proposal, which allowed the pair to create an independent company to produce the show Tinker christened it MTM Enterprises, said Moore, "in much the same way as you name a boat after your wife"

At MTM, Tinker set up a creative team that made the *The Mary Tyler Moore Show* part of a groundbreaking trend to social relevance in television To write the series, he hired James Brooks and Allan Burns, veterans of *Room 222*, a comedy series about a black teacher in an integrated high school But network executives were aghast when Brooks and Burns told them they wanted Moore to play a divorcée Declared CBS's Mare Golden: "There are four things America cannot stand: Jews, men with moustaches, New Yorkers and divorced women"

Fear: According to Burns, the CBS men feared that viewers would think Mary Richards had divorced Dick Van Dyke. TV in the 1960s, Burns added, portrayed single women as either virgins or widows—"the possibility of divorce was not even considered." Reluctantly, the writers made Mary a single woman who had been living with a man Said Burns: "We never could get over the fact that, in their byzantine thinking, they thought it was preferable for her to have lived with someone than to have been divorced"

Despite the compromises, the show succeeded in making an independent career woman a popular heroine And as MTM grew, it mirrored the feminism of the times And it hired an unusually high number of women writers "There were not a lot of women comedy writers around," said Burns, "but at one point more than half our shows were written by women"

Kill: By the late 1970s television's infatuation with social issues had burned itself out. Although *The Mary Tyler Moore Show* was still popular, its ratings were starting to slip, after deciding to kill it in 1977 MTM tried to adapt Moore to a more frivolous era by creating a weekly hour-long variety show for her titled *Mary*, which CBS cancelled after three weeks A second variety series in 1979 also failed

But her most severe trauma was personal rather than professional—the 1980 death of her 22-year-old son, Richard, who accidentally shot himself while playing with a gun There was a cruel resonance to the event, because she had just finished her first serious film role in *Ordinary People* as the brittle, repressed mother of a suicidal boy At the time, she told an interviewer, "As a mother, there was a part of me that was very much like Beth of *Ordinary People*, to the detriment of my relationship with my son." But with the help of friends and psychotherapy, she weathered the tragedy "It helped reinforce what we instinctively know," she told *Maclean's*, "that there is no real permanence in our lives."

Ordinary People revealed a darker side to Moore, one that first surfaced in a 1978 TV movie, *First, You Cry*, in which she gave a critically acclaimed performance as a woman with breast cancer Moore plays another serious role in her latest film, *Just Between Friends*, directed by Allan Burns Completed last month, the new movie is the story of a woman who learns, after her husband dies, that her best friend is pregnant with his child "I wince every time I tell that plot," said Moore "It sounds like real soap opera, but it isn't. It is essentially the story of friendship between two women" Like *Ordinary People*, the script has personal significance for Moore. Indeed, some of its dialogue emerged from Moore's improvising on the emotions she felt after her 1981 breakup with Tinker

In 1983 Moore married Robert Levine, who, according to her friends, is the first husband who has not dominated her Working in separate spheres, they maintain their marriage by commuting When she filmed a television movie, *Heartsounds*, in Toronto in 1984, he visited on weekends Now, while shooting *Mary*, she spends every third week at home in New York, where they live with a prize golden retriever named Dash They share simple pleasures, far removed from Hollywood's glitter

Moore's new poise is reflected in her cooler, more sardonic television character "She never *quite* wins," explains Moore, "and when she doesn't succeed, she just kind of grins and thinks to herself, 'All right, I lost this round but maybe I'll get the next,' whereas Mary Richards would have been devastated" Meanwhile, Moore waits patiently for the ratings to show that an audience exists for her new image In fact, she shows signs of being extremely sensitive about her physical appearance. On the new show, costumes cover her neck with high collars, and she carefully scrutinizes all her publicity photographs—reserving the right to have them retouched

Cult: Syndicated reruns of *The Mary Tyler Moore Show* have turned her former character into an ever-youthful cult figure for millions of viewers, including many who never watched the show during its first run Moore does not like watching the reruns, but she says that she enjoys the popularity they bring "When I walk in New York," she says, "invariably I hear a cab driver or truck driver yell out the window 'Hey Mare, great to see ya Lookin' good, kid' That's syndication speaking out and keeping me alive."

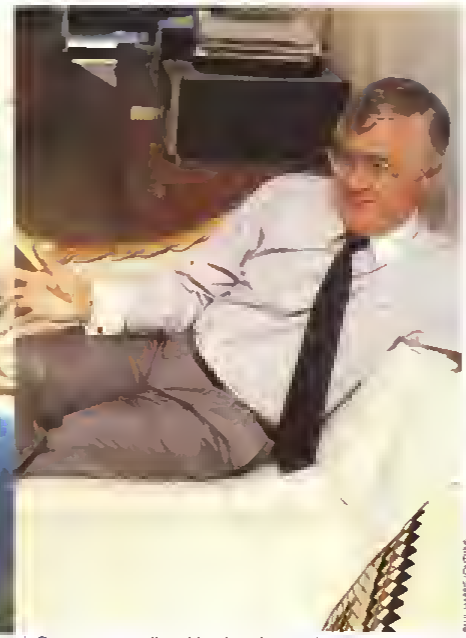
Television, as *Esquire* magazine's Richard Levine once wrote, dissolves both past and future into the "perpetual present." In trying to convince viewers to accept the reality of her matured character, Mary Tyler Moore's greatest competition may be her own image beaming up from a golden age for situation comedy But her greatest asset remains ageless—her ability, after surviving so much adversity, to flash that celebrated smile

—BRIAN D JOHNSON in Los Angeles with ANN WALMSLEY in Toronto



PARAMOUNT PICTURES

Ordinary People, with Timothy Hutton, revealing a darker side to Moore



PAUL HARRIS/OUTLINE

Burns: a groundbreaking trend toward social relevance

The kitten that roared

COVER

Wearing pajamas and a robe, a man sits transfixed by the television set in a hospital psychiatric ward. After undergoing brain surgery, he has lost his identity and developed a TV addiction. Suddenly, while watching a rerun of The Mary Tyler Moore Show, *he has a revelation. "That's it!" he exclaims, running out into the corridor. "I know who I am! I'm Mary Richards!"*

That scene is from a recent episode of the hospital drama *St. Elsewhere*, produced by MTM Enterprises, the prestigious, independent studio featuring a kitten in its corporate logo. It shows just how far the MTM family has extended itself—to the point where some of its characters, including Mary Richards, have acquired a life of their own. Founded in 1969 to produce *The Mary Tyler Moore Show*, MTM Enterprises has since created more than 10 successful television series, including such award-winning hits as *Lou Grant* and *Hill Street Blues*. Meanwhile, the privately owned company has grown into a 600-employee organization which owns half of the 40-acre CBS lot in Studio City, Los Angeles. Recently, it has suffered through a creatively lean period: in the past three years it has failed to produce any new shows that survived more than a season. Still, syndication rights guarantee the company's financial health. And its reputation persists: in a recently published 308-page book, *MTM, Quality Television*, British Film Institute scholars termed it "the most innovative company in American television."

MTM built its empire by breaking the most basic rules of prime-time TV. Said MTM president Arthur Price: "This company does not work like a factory. We work at our own speed and do what we want to do. They think we are certifiably insane at the networks." MTM has become known as an oasis of quality in an industry that thrives on laugh-track comedy and car-crash drama. Its comedies favor character over slapstick, the dramas stress dialogue rather than stunts. Owned by Price, Moore and William Blumenthal, and with no shareholders to question its priorities, MTM has the freedom to take risks. In an industry ruled by ratings, the company commits unusually high budgets to programs that may take several years to find their audience. It shoots its situation comedies on costly film instead of lower-quality videotape in order to achieve a more realistic look. And unlike many other studios, which develop shows to fit rigid marketing strategies, MTM puts its writers



Hill Street scene: an alternative to mediocrity

in charge of the creative process: they serve as executive producers—a situation that most studios, according to former MTM writer Jay Tarses, would consider "tantamount to letting the lunatics run the asylum."

Universal: The results are impressive. During its seven-year lifespan *The Mary Tyler Moore Show* won 29 Emmys, the awards given by the Academy of Television Arts and Sciences—a record in television history. More recently, as MTM has expanded to drama, its [illegible] has captured second place in the Emmy rankings with 26 Emmys. Because MTM provides alternatives to the mediocrity of so much popular North American programming, the CBC has consistently used its financial resources to outbid the competition for Canadian broadcast rights. Declared CBC TV network program director Roman Melnyk: "We have bought a lot of MTM shows over the years. They are intelligent and nonviolent. And they reflect easily accepted universal values rather than specifically American ones."

Philosophy: The company's creator was Grant Tinker, Mary Tyler Moore's second husband. They have since divorced, and Tinker is now chairman of the NBC network. Although Tinker was bought out by partners Arthur Price and Moore herself for $300 million in 1981, his founding philosophy still prevails at the company's well-groomed, campus-like lot in Studio City. "I gave the writers control," said Tinker, "not because I am such a terrific guy but because that is the way you have to treat the best and most creative people."

One thing that sets MTM apart is the craft it uses in manufacturing entertainment. When the pilot episode of *St. Elsewhere* failed to meet the producers' standards, Price ordered it reshot at a cost of $700,000. The extra care appears to have worked. *St. Elsewhere* is enjoying its fourth successful season. The network considers the witty, multilayered drama a hit even though it is ranked 57th in the ratings, because it has what the networks call "a good demographic"—an audience of what *St. Elsewhere* producer Mark Tinker, Grant Tinker's son, describes as "the white-wine spritzer crowd." Advertisers are willing to pay high prices for commercial time—as much as $140,000 for 30 seconds, the same category as shows with a 30-per-cent greater audience share. The reason is that its viewers tend to be high-income, college-educated consumers. MTM's *Hill Street Blues* also offers sponsors a select audience, attracting such strangers to prime time as Mercedes-Benz.

Rhoda's Valerie Harper



Proliferation: From the beginning, MTM has learned that patience pays. It was not until its second season that *The Mary Tyler Moore Show* began to build an audience. And after going into syndication in 1977, its 168 episodes have earned MTM $50 million. Since then, with the proliferation of independent stations, the potential for syndication sales has geown, and rights for a top-rated show may earn as much as $2 million per episode.

As a result, the company places a strikingly high value on its writers. Although MTM cannot compete with salaries that the major studios pay, the company compensates by giving its employees creative licence. Said Price: "We do something that from a business standpoint may not be the wisest thing to do. We develop things that we would like to see ourselves." Explained Daniel Wilcox, executive producer of MTM's *Newhart*: "In every company, there is always someone who says, 'The network does not like this. Let's change it.' But here if you have a conflict with the network, MTM says, 'Give it to us. We'll fight it for you.'" In March, during a Hollywood writers' strike, most studios locked the writers out—but MTM paid strikers full salaries, which for a weekly script writer can be as high as $10,500. Said MTM scriptwriter Paul Wolff: "It was unheard-of, but that is the way they do business."

In the 1970s the studio's liberal attitude often spilled over into its program content. *Lou Grant*, which starred Ed Asner as a crusading newspaper city editor, rankled both CBS and its sponsors with episodes attacking such targets as chemical pollution and torture by Latin American dictators. Then, in 1982, Asner, as the president of the Screen Actors Guild, gave a press conference on behalf of an El Salvador aid group. Three months later, after conservatives campaigned to boycott *Lou Grant*'s sponsors, CBS cancelled the show. That was a decision that some MTM producers privately deplore.



St. Elsewhere operation: sobering dramas, liberal attitudes and universal values

Asner: renkling editor



PHOTOTEQUE

Meanwhile, MTM was undergoing difficult transitions. *Lou Grant* was the last of the spin-offs from *The Mary Tyler Moore Show*, a collection whose ranks once included *Rhoda*, *Phyllis* and *The Betty White Show*. After Moore left her old show in 1977, MTM went through an erratic search for a new identity. With *WKRP in Cincinnati*, a popular situation comedy about a rock radio station, the studio even succumbed to a prevalent sitcom style that network executives have nicknamed "jiggle television"—an *WKRP*, the jiggles belonged to Loni Anderson, who played a sexy blond receptionist. The show ceased production in 1982, the same season that the sobering *St. Elsewhere* premiered. Since then MTM has looked for a hit in vain.

Among its notable failures was *Bay City Blues*, a one-hour drama about a minor-league baseball team in a small California town, produced by *Hill Street Blues* creator Steven Bochco. NBC cancelled it after four episodes and MTM suffered losses of $2.6 million, including $400,000 it had spent to construct an actual baseball stadium for the show. Declared Price: *"Bay City Blues* was creatively one of the greatest gambles we ever took, and we would do it again." MTM suffered another failure in 1984 with *The Duck Factory*, a short-lived sitcom about an animation studio starring Canadian actor-impressionist Jim Carrey.

Although MTM was founded to produce sitcoms, its future may lie in more serious pursuits. The studio has just developed six pilots, including *Behind Enemy Lines*, a Second World War drama series starring Hal Holbrook and David McCallum as agents of the Office of Strategic Services, the forerunner of the CIA. As well, it is filming a pilot on location in the south of France for an adult adventure show titled *Riviera*. The company is also diversifying. It recently set up a Nashville record company to produce country and western music, has co-financed four Broadway shows and is developing three movies.

Perfect: MTM grew up in the early 1970s when relevance was fashionable in television. Said James L. Brooks, part of the nucleus of MTM's writing team, who defected from the company to join Paramount Pictures in 1977: "MTM was getting very big, the college was becoming a university. I cannot tell you how perfect it was there, and it could not stay that way." Although the company remains an anomaly in Hollywood, it has learned to survive amid the slick, conservative styles of the 1980s. Its successful private-eye series, *Remington Steele*, is cotton-candy adventure in the small screen's most escapist tradition. Even the new *Mary* show, as sophisticated as it may be, clones the safe legacy of its predecessors.

Despite the MTM legend, the company is not just a producer of television but a product of it. Television is a family affair—and the cute kitten in the MTM logo is trying to serve as the all-purpose family pet.

—BRIAN D. JOHNSON in Los Angeles

Sitcoms in the fun house

COVER

In television programming, one of the most serious businesses is making situation comedies. Rarely was that clearer than on Jan. 19 1953, when 44 million viewers tuned into *I Love Lucy* because their favorite sitcom character, Lucy Ricardo, was about to have a baby. With exquisite timing, on the same day that the filmed episode aired, the show's star, Lucille Ball, gave birth to her son, Desi Arnaz Jr., known on the screen as "Little Ricky." Indeed, over the decades the heroes and heroines of sitcoms have served as television's most consistently popular performers.

Spotlight: In the early 1980s serials (*Dallas*) and adventure shows (*The A-Team*) dominated viewer ratings, but in the past year comedies have returned to the spotlight. Of the top 10 U.S. shows, five are now sitcoms—*The Cosby Show* ranks first with 86 million viewers a week. In Canada such shows are just as popular. Jack Humphrey, executive producer of the CBC's *Hangin' In*, one of the few Canadian sitcoms, acknowledged the power of his competition. "The U.S. networks spend millions on research and development," he said. "In Canada, it is all a crap shoot."

In North American television, sitcoms are more than mere entertainment. Censored by market researchers and scrutinized by some of the world's most obsessive pollsters—the networks and their sponsors—comedies serve as ultimate barometers of social taste. Over the years, audiences have graduated from the frivolous Lucy to the liberated Mary, from working-class bigot Archie Bunker to prosperous black physician Bill Cosby. In the late 1970s, with the triumph of such farces as *Three's Company*, character development and social commentary gave way to titillation. Now, as Mary Tyler Moore and Valerie Harper attempt prime-time comebacks with *Mary* and *Valerie*, more realistic sitcoms are back in fashion at the networks. Said Harvey Shephard, a senior vice-president at CBS, the network that launched Moore's new series last month: "There was a time when comedies were all escapist. Now the public wants comedies that reflect their lives and problems."

Indeed, it is now the TV drama series, with rock-video violence and pat endings, that provide the most popular escapist fare. By contrast, comedy serves as a fun-house mirror for North Americans' everyday preoccupations—family, sex, career and class—although the classic sitcom portraits of harmonious households have often lacked realism. In the 1950s and early 1960s, when divorce rates were relatively low, such sitcoms as *The Adventures of Ozzie and Harriet* reflected widespread family stability. That show was the saga of the Nelsons, a real family on-screen, and it offered a bland portrait of middle-class America. Audiences delighted in watching the rebellious Ricky Nelson mature. Last week rock star Nelson, 45, died in a plane crash, and among his mourners were fans who had followed him since he was 8. *Ozzie and Harriet* ran for 14 years—longer than the average marriage in the 1980s.

Cosby and other 1980s sitcom hits—*Family Ties*, *Cheers* and *The Golden Girls* among them—regularly make light of once-forbidden issues, from sex to senility. But some critics still find the shows bland. Said Mark Freiman, a professor of Canadian studies at the University of Toronto: "They may raise painful issues, but the answers dissolve in your hand. *The Cosby Show* is particularly dishonest. It suggests that black families are just like white families."

Imports: Canadians have few alternatives to the U.S. imports. During four decades of TV history, the English-Canadian networks have produced only 12 original comedy series. And the three that are still on the air trail their U.S. rivals in the ratings: recent figures show that about one million viewers watch the CBC's *Hangin' In*, starring Lally Cadeau, 13 million watch *Seeing Things*, with Louis Del Grande—both CBC shows—and fewer than a million tune in to CTV's *Check It Out!* That compares to over five million Canadians who watch *Cosby*.

Budgets: Indeed, it is much cheaper for Canadian networks to buy imports at about $25,000 per episode than to invest in their own shows. Budgets for Canadian sitcoms range from $200,000 to $250,000 per episode—still only 60 per cent of the average budget for similar U.S. programs. In any case, according to *Hangin' In*'s Humphrey, 80 per cent of Canada's former sitcom talent is now working in the United States.

One Canadian series that has won a reputation for being funny is *Seeing Things*, an hour-long hybrid of mystery and comedy that owes its humor to the genius of its New Jersey-born star/co-writer/co-producer, Louis Del Grande. As Louis Ciccone, a clairvoyant reporter at the fictional Toronto *Gazette*, Del Grande is a master of self-deprecation and the throwaway line. Although a murder usually underlies each episode, the comedy plays on the unexpected ironies of domestic predicaments. Del Grande says that the zany realism of *Seeing Things* owes much of its inspiration to such early classics of American comedy as *The Honeymooners*. Said Del Grande: "There was something believable in Gleason. He had one sink and one room and he was a bus driver. You can tell those actors didn't take coke."

From the beginning, sitcom stars were influential role models. In the United States, black organizations attacked the *Amos 'n' Andy* series as a racist caricature and forced it off the air in 1953. Canada's first homemade situation comedy, *The Plouffe Family*, was often attacked for its condescending tone. Based on the 1948 novel by Roger Lemelin, *Les Plouffe*, it introduced English Canadians to a French-Canadian mother, Josephine Plouffe, her antimonarchist husband, Théophile, and their four children. After five years of strong ratings the CBC cancelled the show in 1959 because of criticism that it portrayed Quebecers as crude. Independent MP Raoul Poulin, for one, had charged that too many episodes were "scabrous, suggestive, sometimes immoral and even degrading."

Bucolic: Meanwhile, most of the successful American sitcoms avoided controversy. The family reigned supreme in such programs as *Father Knows Best* and *The Donna Reed Show*. Baby-boom children could identify with lovable peers in *Dennis the Menace*, *Leave It to Beaver* and *My Three Sons*. In 1957 television strayed from the suburbs and created the first successful rural sitcom with *The Real McCoys*, prototype for a bucolic breed that would include *The Andy Griffith Show*, *Petticoat Junction* and *The Beverly Hillbillies*. The tale of an oil-rich Ozarks family who moved to California without changing its rural habits, *Hillbillies* offered an easy escape from the pressures of life in the 1960s.

Supernatural: Popular television never did reflect the social turmoil of the 1960s. Instead, there was a proliferation of sitcom fantasies featuring supernatural beings: *My Favorite Martian*, *Bewitched*, *I Dream of Jeannie*, *The Munsters*, *The Addams Family* and *My Mother the Car*. The networks discovered a market for weirdness. But in the 1970-71 season two shows revolutionized the sitcom format and brought television back to urban reality: *All in the Family* and *The Mary Tyler Moore Show*.

All in the Family shattered television etiquette. Its main character, Archie Bunker, called blacks "spades," Puerto Ricans "spics" and Chinese "chinks." He labelled his liberal son-in-law, Mike, "a Polack pinko meathead." The show, a broad adaptation of the British Broadcasting Corp.'s hit comedy *Till Death Do Us Part*, went on the air only after a long struggle between its producer, Norman Lear, and CBS. The nervous network executives preceded its first broadcast





From CBC's **Seeing Things**: *'Put on a T-shirt with a Canadian hero. Enough cultural imperialism'*

From **The Cosby Show**, *and (right)* **All in the Family**: *'raising painful issues, but the answers dissolve in your hand'*

with a warning that the show "seeks to throw a humorous spotlight on our frailties, prejudices and concerns. By making them a source of laughter we hope to show—in a mature fashion—just how absurd they are." In fact, only 1,000 viewers phoned in, 60 per cent of them with favorable reactions.



From The Honeymooners: intelligence vastly superior to what appears on-screen

Mary Tyler Moore's impact was more discreet. Still, she broke the mould of the bubbleheaded housewife by making a single career woman a television role model, and her sexy feminism appealed to both male and female viewers. In *Up the Tube*, author and former *TV Guide* columnist Sally Bedell writes: "*All in the Family* may have taken the prize for courage and toughness in blasting through values and attitudes. But the *MTM* show nudged its way into human relationships with an enviable subtlety."

Vibrant: In 1972, when CBS added *M*A*S*H* to a Saturday-night lineup that already included *All in the Family* and *Mary Tyler Moore*, the network created one of the most vibrant TV nights in the medium's history. More than any other series, *M*A*S*H* put the sitcom format to dramatic use. And its gritty portrayal of medics finding laughs amid the chaos of the Korean War served as a thinly veiled metaphor for Vietnam. But in 1975, under pressure from Congress, a new "family viewing policy" by the National Association of Broadcasters led networks to postpone adult-oriented programming in the evening until after 9 p.m. That policy led CBS to dismantle its powerful Saturday-night lineup, and it paved the way for a deluge of immature programs by ABC over the next few years.

At Canadian networks, sitcom production faced a different obstacle: for years it was simply not a priority. Then, in 1974, John Hirsch became the CBC's director of drama and tried to change that. "If you look at American shows," he said, "every situation comedy is made by a machine—the Norman Lear machine, the Mary Tyler Moore machine." To create his Canadian "machine," Hirsch relied on Winnipeg-born Perry Rosemond, who had worked in Hollywood since the late 1960s directing network specials for Bill Cosby, Phyllis Diller and others. Hirsch and Rosemond sought alternatives to the abrasive style of American sitcoms, and the result was *King of Kensington*, with Al Waxman.



From I Love Lucy: happy families, sex and senility

Like *All in the Family*, the CBC show centred on a working-class character—but he was designed to reflect the good-natured spirit of good-natured Canadians. Waxman told *Maclean's*: "We take a softer attitude in comedy and drama. We are not as aggressive a country as the United States." *King of Kensington* ran five years on the CBC and its reruns have been syndicated to U.S. stations.

By the time the series ended production in 1980, its producer, Jack Humphrey, had created *Hangin' In*, which is still on the air. Replacing *King's* community centre with a youth counselling service, it stars Cadeau and David Eisner as social workers. As Kate Brown, Cadeau helps adolescents and their parents cope with such matters as teen pregnancy and juvenile crime. Some viewers have found the shows so believable that they have written letters asking if their children could consult with its counsellors.

Slapstick: For its part, the CTV network has followed the American format more closely. It currently produces *Check It Out!* with Don Adams (*Get Smart*) as a supermarket manager in an unidentified city. The program is slapstick farce designed for an international market—as well as appearing on CTV, it runs on the USA Cable Network. But so far the CBC's *Seeing Things* remains Canada's most successful comedy series abroad, with distribution in more than 40 countries and in all major European languages. With in-jokes about *The Journal*, Montreal's Olympic Stadium and Toronto's WASP establishment, Del Grande makes its Canadian setting highly obvious. In fact, he goes out of his way to paint American television and pop stars as poisonous. While filming one episode, the costume crew gave Ciccone's son, Jason, a Bruce Springsteen T-shirt. Del Grande turned the incident into an on-screen joke by telling him "Go put on a T-shirt with a Canadian hero. Enough of this cultural imperialism."

Del Grande's comment indicated just how strong the American entertainment industry is. Supported by enormous amounts of money and talent—and a creative intelligence often vastly superior to what appears on the screen—the sitcom machines are at the heart of American TV culture. And, it appears, Canadians also share in the imported laughter.

—BRIAN D. JOHNSON in Los Angeles with ANN WALMSLEY and ANN FINLAYSON in Toronto

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The case of the small-town sleuth

THE SUICIDE MURDERS
(CBC, Jan. 12)

Howard Engel's murder mysteries, featuring detective Benny Cooperman, are a distinguished feature of Canadian crime fiction. Engel has a genius for capturing the romance of the classic American detective story and giving it an absurd twist in a Canadian setting. Unlike hard-boiled urban fictional heroes such as Raymond Chandler's Philip Marlowe, Cooperman is an awkward, engaging sleuth who eks out a living in the fictional town of Grantham, Ont. Beginning in 1980 with *The Suicide Murders*, Engel's four mystery books have won an enthusiastic reception from critics and academics and achieved a modest commercial success. Yet his fiction has still not found a wide audience. Now, an enjoyable two-hour television adaptation of *The Suicide Murders*, featuring Saul Rubinek in the starring role, may help to raise the profile of Canadian literature's foremost private eye.



Rubinek, Larry Gaynor: the chutzpah of a rumpled hero

Directed by Graham Parker from Engel's own screenplay, *The Suicide Murders* opens with a classic scene from detective fiction: an attractive, expensively dressed blond woman named Myrna Yates (Kate Trotter) appears at Cooperman's office one morning with cash in her wallet and marital problems on her mind. Because her type is invariably dangerous, Chandler's Marlowe would have handled Yates as guardedly as a rattlesnake. Instead, Cooperman, fresh off the snowy sidewalks of Grantham and struggling to remove his ridiculously bulky winter parka, is flustered and anxious to please. In one of the film's voice-overs, which preserve some of the book's best lines, he muses: "She was the sort of woman that made you wish you had stayed in the shower for an extra minute or taken another three minutes shaving. I felt a little underdressed in my own office."

The plot gets under way when Cooperman agrees to tail his elegant client's husband, a prominent local developer, whom she suspects of infidelity. When he dies soon afterward, the official verdict is suicide. But Cooperman suspects foul play, a theory that gains credence after two more prominent citizens die mysteriously. He follows a complicated trail of shady land deals and buried scandals which expose the seamy underside of Grantham's establishment. His single-mindedness puts him squarely in conflict with local politicians and police but, in the best underdog tradition, he emerges a hero.



Cooperman's character is clearly the production's chief asset—a private eye who retches at the sight of a corpse and whose idea of excitement is adding coleslaw to his regular luncheon order at the diner. He is a classic loner, a Jew in a gentile-dominated town. He also has to endure frequent comparisons to his older brother, who left Grantham to become a successful doctor in Toronto. In a sympathetic performance, Rubinek gives Cooperman the right quality of bumbling, understated charm. He camouflages his dark good looks beneath a slightly foolish expression, clumsy manners and rumpled clothes. Still, Cooperman musters enough chutzpah to stand up to arrogant William Allen Ward (Michael Hogan), a local political heavyweight.

Next to Cooperman, Engel's finest characterization is that of Grantham itself. Based on St. Catharines, Ont., where the author grew up, it is an unflattering portrait of snowbound streets, tacky buildings and narrow-minded citizens. Grantham is so uncosmopolitan that bagels are an exotic item and Cooperman's office neighbor, Frank Bushmill (Gerard Parkes), a drunken chiropodist suspected of being a homosexual, spends his nights alone with a bottle. Cooperman observes: "I imagined him off with the gay crowd having a hell of a time, but I doubted it. Around here, poor Frank *was* the gay crowd." To watch Cooperman's silent discomfort as he sips tea from a china cup and fumbles with an oversized canapé in Yates's graciously appointed living room is to understand the insidious social stratification of life in a small town.

The Suicide Murders is not always as suspenseful as it could be. Indeed, some abridgments in the plot have made the final resolution almost seem to come from out of nowhere. But it scarcely matters. As with the best of detective tales, the story is more absorbing as a human comedy than as a whodunit. In *The Suicide Murders*, Engel holds up a fascinating mirror in which audiences are bound to recognize something of their own image.

—GILLIAN MACKAY



Basinger. visual tension, fierce intimacy and an enraged countess with a pistol

FILMS

The knots of passion

FOOL FOR LOVE
Directed by Robert Altman

Eddie (Sam Shepard) and May (Kim Basinger) are caught in an intense lovers' conflict. when they are together they fight viciously, but they cannot live apart In *Fool for Love*, Eddie and May's private hell burns brilliantly A cowboy drifter, Eddie has tracked May down to El Royale, a motel in the middle of nowhere As terrified as she is of having him back, May cannot resist Eddie She screams that she wants nothing to do with him, then sits on her bad holding her head in tortured frustration as he drawls, "You got a headache or something?" In the film adaptation of Shepard's often viciously funny play, humor is the only relief from the fierce intimacy that its two main characters share

With his inquiring camera, director Robert Altman (*Nashville*) captures the unrelenting strain of Eddie and May's relationship After she makes up with him momentarily she kissss him, then instantly changes her mind and kicks him in the groin They drive each other away out of emotional revulsion and then experience separate outbursts of jealousy When May plans to go out for the evening with the easygoing Martin (Randy Quaid), she insists that he is "just an ordinary date." Still, Eddie threatens to "turn him into a fig." But Eddie has also been seeing someone—a countess (Deborah McNaughton) She arrives in her black Mercedes and, in a jealous rage, tries to blow Eddie's and May's heads off with a pistol

In *Fool for Love*, passion is heightened into absurd horror What makes their dilemma especially unusual is that Eddie and May are half-brother and sister In fact, the old man (Harry Dean Stanton) who hangs around behind the motel in a trailer is actually their father In the play, Shepard diffused the power of his theme of impossible love by introducing the subject of incest. In the movie, Altman tries to avoid that artifice by moving the action—eerily lit by cinematographer Pierre Mignot—into the lonely outdoors near the motel There, he keeps the camera dancing around like a fighter in a ring, and finds visual tensions to supplement the verbal ones It is an extraordinary feat of film-making Unfortunately, the performances of Shepard and Basinger are often mannered and too emotionally confined for all the noisy fighting that takes place

Despite those flaws, *Fool for Love* is sizzlingly effective What emerges is a portrait of two lives that are painfully, inexorably, even tragically united The viewer is left with the sensation of watching two lives played out on an eternally unmade bed.

—LAWRENCE O'TOOLE

BOOKS

In the land of 'liberty'

IN THE SHADOW OF THE VULTURE
By George Ryga
(Talonbooks, 288 pages, $9.95)

The thousands of illegal Mexican immigrants who slip annually into the U.S. border states undoubtedly imagine a brighter future But as British Columbia playwright George Ryga *(The Ecstasy of Rita Joe)* emphasizes in his ideologically ambitious but highly flawed new novel, *In the Shadow of the Vulture*, there is a darker side to their migration. Indeed, most of Ryga's beleaguered heroes do not even want to enter the United States. they have been sold by unscrupulous entrepreneurs to a smuggler named Ramon As the novel opens, Ramon has packed them into his truck and plans to resell them as laborers to Stretch Henderson, an enterprising U.S. chicken farmer Henderson keeps his charges in virtual slavery, paying them nothing and locking them up at night

Ryga's fascinating crew of slaves includes Juan, a former bandit, Anastasio, a defrocked priest, and Antonia, a former prostitute of hypnotic beauty Deftly, Ryga evokes their misery in the urine-soaked box of Ramon's truck. He also adds depth to their personalities with some engaging reminiscences of their past lives The flashbacks impart humor to an otherwise grim tale In one broadly comic incident, Juan recalls how he held up his first bus and became so flustered that the sympathetic bus driver had to instruct him on relieving the passengers of their valuables

Unfortunately, Ryga too often overshadows dramatic moments with his own ideological preoccupations Long known for his left-wing views, Ryga turns his characters into working-class heroes In the exploitative conditions of Henderson's chicken farm, they become so class-conscious that one expects them to burst into choruses of *Solidarity Forever*. Instead, they break for freedom in a wild shootout that Ryga obviously intends to stand as a model of the proletarian revolution Those schematic twists smother the novel's humanity. Throughout *In the Shadow of the Vulture*, Ryga's political opinions spoil what should have been the truths of art.

—JOHN BEMROSE



Hemingway. going to extrema lengths to provide a Canadian framework

A master in the making

ERNEST HEMINGWAY
DATELINE TORONTO
Edited by William White
(Collier Macmillan Canada, 459 pages, $29.95)

More than most serious writers, the restless Ernest Hemingway was associated with placenames It was as if he filed his fiction, like dispatches, from wherever the action was His literary datelines included the Republican Spain of *For Whom The Bell Tolls* and the Cuba of *The Old Man and the Sea*. Then there was Toronto. "It is a very long way from the sunbaked town of Pamplona, where the men race through the streets in the mornings ahead of the bulls, to the morning ride to work on a Bay-Caledonia car," the future novelist wrote in the October, 1922, *Toronto Star Weekly* magazine

Toronto was never one of Hemingway's datelines as such, despite the title of editor William White's book But *Dateline. Toronto* shows that Toronto was as essential to Hemingway's creative output as any of the exotic locales Hemingway's luck in connecting with the freewheeling *Star Weekly* at a time when it was most receptive to submissions from promising young writers has been well documented by Hemingway biographers Indeed, in White's previous collection, *Byline. Ernest Hemingway*, he included 29 of the Toronto articles White's latest anthology is the first collection of all 172 signed pieces that Hemingway contributed to the *Star Weekly* and *The Toronto Daily Star* between February, 1920, the year he turned 21, and January, 1924, when he decided to plunge into full-time fiction writing

The pieces make Toronto's influence clear It was there, in a city that was beginning its own struggle to escape its provincial confines, that Hemingway first proved not only that he could write but that he could earn a living at it Without Toronto to nurture his confidence, for Hemingway there might have been no Pamplona

Dateline. Toronto is a treasure trove for amateur literary detectives They can trace the connection between some of those pieces and Hemingway's later literature—as in the following passage in a dispatch from Vigo, Spain, appearing in the Feb 18, 1922, *Star Weekly* "But if you land a big tuna after a six-hour fight, fight him man against fish until your muscles are nauseated with the unceasing strain, and finally bring him up alongside the boat, green-blue and silver in the lazy ocean, you will be purified and will be able to enter unabashed into the presence of the very elder gods and they will make you welcome." Three decades later that theme, and those cadences, surfaced in *The Old Man and the Sea*, the novella which won Hemingway his Nobel Prize for literature

Unlike previous anthologies, the collection also makes clear that Hemingway was occasionally a very funny writer. In one piece, he mocks the antics of Toronto's mayor, Tommy Church, attending a boxing match ostensibly because he loved the sport, but in fact to win votes by "working the crowd." Some of the humor is unintentional, as when the young man from Oak Park, Ill., went to extreme lengths to give his dispatches a Canadian framework an interview with Mussolini includes a hilariously unsuccessful attempt to explain the Fascists' hatred for Communists in terms of the relationship between Canadian Conservatives and Liberals.

In 1923 Hemingway and his wife, Hadley, returned to Toronto from a stint of reporting from Europe The editors of the *Daily Star* clearly sought to bring him down to size, and Hemingway endured the kinds of assignments normally given to a beginner After contributing some rather sullen signed pieces, including one about whether coal had been discovered in Sudbury, he left Toronto and full-time journalism forever.

White's collection would have benefited had he provided more context—a historical note here, a biographical fragment there Still, more than six decades after they first appeared, many of the pieces are startling in their freshness and clarity They provide a pleasurable rediscovery of Hemingway's strengths: his narrative gifts, his ear for dialogue and his unerring sense of place.

—DON CUMMING

MACLEAN'S BEST-SELLER LIST

Fiction

1 **The Mammoth Hunters**, *Auel (1)*
2 **Texas**, *Michener (2)*
3 **The Handmaid's Tale**, *Atwood (3)*
4 **What's Bred in the Bone**, *Davies (4)*
5 **The Red Fox**, *Hyde (6)*
6 **Contact**, *Sagan (5)*
7 **Secrets**, *Steel (7)*
8 **London Match**, *Deighton (9)*
9 **Lucky**, *Collins (8)*
10 **Skeleton Crew**, *King (10)*

Nonfiction

1 **Straight from the Heart**, *Chrétien (1)*
2 **Company of Adventurers**, *Newman (2)*
3 **Iacocca**, *Iacocca with Novak (3)*
4 **Yeager**, *Yeager and Janos (4)*
5 **The World of Robert Bateman**, *Derry (5)*
6 **Dancing in the Light**, *MacLaine (6)*
7 **Risky Business**, *McQueen (7)*
8 **Elvis and Me**, *Presley with Harmon (8)*
9 **Blessings in Disguise**, *Gunness (10)*
10 **Goddess: The Secret Lives of Marilyn Monroe**, *Summers (9)*

() Position last week

COLUMN

The real truths about 1986



By Allan Fotheringham

We are closer to the end of the century than we are to Montreal's Expo or the advent of the Trudeau years. The start of the next century is equidistant to us from the time when Robert Stanfield came within two seats of becoming Prime Minister. Given all that, it should be easy to look into the future. What is going to happen in 1986 is as clear as—well, say—as the government's policy on free trade or book publishing. Clear as mud, as Joey Smallwood used to say. It is a crystal ball made of frosted glass, as easy to read as a Suzanne Blais-Grenier expense account. As straightforward as an Erik Nielsen smile. Look ahead and weep.

In the year ahead some woman of some alleged prominence will have her early nude photos reprinted by *Playboy* or *Penthouse* and will express great shock and chagrin and will state that she is consulting her lawyers. Her agent will smile. Richard Hatfield will survive in New Brunswick. Dalton Camp will smile. Canadian sports fans who think they have heard quite enough of Don Cherry will, on hearing Leo Cahill once again, regard Cherry as a blessing. Brian Mulroney's press office will turn down Barbara Frum's request to have *The Journal* film the Prime Minister changing a diaper. One member of the press office will resign at the missed PR opportunity.

The NDP will come back again as the new government in Saskatchewan under Allan Blakeney. Roy Romanow will not know whether to smile or not. Somebody will unearth something swinish Paul McCartney said about John Lennon. Mary Lou Retton will announce that she is running for the U.S. Senate. Some actress will reveal that she was once secretly married to Howard Hughes. Canada will upset the Soviet Union at soccer's World Cup in Mexico, but will not—unfortunately—win another game. Conrad Black will begin writing signed articles in his London *Daily Telegraph*, causing half his reporting staff to rush to the dictionaries.

Allan Fotheringham is a columnist for Southam News.



ROY PETERSON

Manitoba's Tories under Gary Filmon will lose the election to Howard Pawley's NDP when former premier Sterling Lyon intercedes in the campaign with an injudicious quote.

With the Mulroney government shaken by the example of Grey Power—the pensioners who forced a rollback on de-indexing—the Ontario government of David Peterson will be shaken by a revolt of that underprivileged class, the lawyers stripped of their QC labels by the premier's ukase. Nothing so much enrages the nobs as having their useless perks removed from them. They will surge from the Toronto Club, their protest placards smeared with pâté, and will threaten to burn their silk robes on the Queen's Park lawn. It will become known as Pinstripe Power.

Don Getty will squeak through in the Alberta election. Two more ministers will resign from the Mulroney cabinet, thus setting a post-Diefenbaker record for resigning on left-handed Thursdays in months ending in R. They will learn of this after press secretary Bill Fox has released their resignations to the press gallery.

Jean Chrétien, under the increasing impression that he has written a book, at some time during the year will ask, "Who's Ron Graham?" John Turner will smile tightly, knowing that Chrétien has made his move too early. The Prime Minister, searching desperately for some cabinet strength from Montreal after losing Blais-Grenier, will appoint boulevardier Nick Auf der Maur to the Senate and make him minister without espresso. George Bush, who wears his heart on his sleeve, and Jack Kemp, who puts a sleeve on his heart, will be overtaken in the race to be R. Reagan's successor by Senator Bob Dole, who has the best sense of humor in American politics since Adlai Stevenson. Mila Mulroney will again be revealed by pollsters as the most popular person in the Tory party. Unfortunately, she's not running.

Premier MiniWac Bennett of British California, while opening Expo 86 with the Chuck 'n' Di Show, will call a provincial election. The 237 Fleet Street reporters covering the tour will unearth a scandal in that Prince Charles has been pulled into partisan politics and will conclude that Canada is The Great White Waste of Time. Six of them will apply for landed immigrant status. Ed Broadjump will continue his campaign to have autoworker union boss Bob White succeed him. Neither Lorne Nystrom nor Romanow nor Svend Robinson will smile.

Another visiting American reporter will ask why Mr. Mulroney's bodyguards stand so close to him. He will be told those are not bodyguards, they are the PM's press secretaries. Larry Zolf will not make the Senate this year. Sheila Copps will be voted the most valuable weapon Mulroney has. John Turner will not be photographed wearing black leather on top of a motorcycle in 1986.

John (The Microwave) Crosbie, the most intelligent man in the House of Commons who has the disconcerting habit of speaking what's on his mind, will continue to have his lips zippered, thereby depriving the public of one of the few remaining pieces of entertainment that is free. William (The Refrigerator) Perry will score the winning touchdown as the Chicago Bears defeat the Miami Dolphins in the Superbowl. The Canadian Broadcasting Corporation will no longer ask Lalan MacDonald to do any objective critiques on the success or failure of the Mulroney future.

Toronto's domed stadium will run over budget. Barbara Amiel will return to Canada. Erik Nielson will smile, once. Diapers, not bra-burning, will become the new feminist issue. Trust me.



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